# CHAPTER 6

## Stability and Change in Trust

> You can't be too careful, times have changed. We are living at a faster pace and people go at their own speed. We live in a Microsoft type hot bed and people are anxious to get ahead naturally.
>
> Respondent to the 2000 ANES Pilot Study "think aloud" question on trust

Trust is one of the most stable values but it also has fallen sharply from its high in the boom years of the 1960s. In this chapter I look at both stability and change, but mostly the latter. Trust has fallen from 58 percent in 1960, the first time the question appeared on a national survey, to about 36 percent in 1996 (before rising to about 40 percent in 1998 and 1999). Something important is going on and we can learn some important lessons about the prospects for cooperation by looking at the dynamics of trust.

At one level stability and change may be quite consistent. Putnam (1995a, 1995b, in press) argues that America has become less trusting because each succeeding generation has less faith in others. Our collective loss of trust stems from population replacement. There is much support for Putnam's argument, but a generational argument doesn't explain why younger people are less trusting. And it also cannot do justice to one remarkable counter trend: The generation that supposedly started the unraveling of trust, the Early Baby Boomers, shifted direction in the late 1980s. Soon they were to become the most trusting generation.

Even in the face of aggregate stability, there was some systematic shuffling of individual-

level trust in the 1970s. And people responded in precisely the ways that my account of trust suggest that they should. The Vietnam War tore apart a lot of intergenerational good will as young college students chanted in the streets: "Don't trust anyone over 30." And many of them didn't. The Vietnam War polarized the society and those who opposed it were particularly likely to lose faith in other people (Barone, 1990, 392).

As destructive to the social fiber as the war was, something else was happening during the 1960s and 1970s that helped build some bridges and tear others down: the civil rights movement. The movement began in an era of high trust and became a strong moral crusade. Chong (1991, 1) called it "the quintessential example of public-spirited collective action of our time."

Yes, much of the struggle for civil rights was confrontational, but it also built bonds between people of different backgrounds and for many people laid the foundation for greater trust. It led others to become less trusting, but the overall impact on faith in others was positive. Volunteers in the civil rights movement, in particular, became more committed to establishing bonds across racial lines and to pushing for other goals such as reducing poverty and ending the war in Vietnam (Demerath et al., 1971, ch. 5). They came into the movement with high levels of faith in others and throughout the 1970s and 1980s remained far more trusting than the overall population. Seventy-nine percent of civil rights volunteers agreed that "most people can be trusted" in a 1965 survey; eight years later, this figure dropped marginally to 72 percent, and then rose to 83 percent in 1982, compared to a national sample in which just 58 percent said that others were trustworthy.[1]

The Baby Boomers came of age during the civil rights movement and much of the increase in trust for this cohort stems from their greater tolerance for out-groups. The Early Boomers

were not only the most trusting. They were by far the least committed to their own in-group. Both the Vietnam war and the civil rights movement established "collective memories" that had profound effects on trust (cf. Rothstein, in press, for a similar argument about Sweden).

Beyond Vietnam and the civil rights movement is the omnipresent problem of optimism. Interpersonal trust reflects an optimistic world view and as Americans became less optimistic they became less trusting. Yet optimism is not the entire story. As at least two of my colleagues have remarked, the problem with an account based just on optimism is that trust is "all in peoples' heads." Trust, a value, depends upon optimism, a way of looking at the world. Your world view comes from your parents. But where do your parents get their ways of looking at the world? Sooner or later, I must come to grips with the real world. And even though people's trust doesn't reflect their personal life histories or resources, as I showed in Chapter 4, *collectively* the level of trust in society depends upon how economic goods are distributed. There is clearly a link between personal fate and collective outcomes. Yes, trust has gone down as economic inequality has risen,[2] but the Early Baby Boomers have become more prosperous and more trusting.

The experiences of Vietnam initially made the Early Boomers less trusting, but the effects of civil rights and optimism for the future pushed the boomers toward greater trust. No other group became as tolerant as the early boomers. And certainly no other cohort fared so well economically. But it was not just how well the early boomers did–but how evenly their wealth was distributed. The post-World War II generation grew up in an era of great expectations and more of them made it than their parents or those who were born later. Tolerance plus a more equitable distribution of resources led one cohort to become more trusting, even as others lost faith in their fellow citizens.

## The Durability of Trust

How stable is trust and how lasting are the effects of nurturing parenting? The Niemi-Jennings socialization study offers an opportunity to examine these questions since it contains data on young people and their parents at three points in time. The first survey, conducted in 1965, examined young people when they were in high school. By 1982, 17 years later, the high school students were young adults in their mid-30s. Were they still trusting? In Chapter 3, I noted that 64 percent of young people had the same level of trust in 1982 that they did in 1965. In Chapter 4 I showed that high school students' trust reflected both their parents faith in others and how nurturing their parents were. Trusting young people were more likely to have parents who let them determine their own friends and influence family decisions. They were also more likely to say that they sometimes disagreed with their parents (according to reports by the parents).

Seventeen years later parental nurturing still paid off. Young adults whose parents let them determine their own friends when they were in high school were more likely (by eight percent) to trust other people in an equation I estimated from the 1982 wave of the youth sample (see Table 6-1). In 1965 students who felt free to disagree with their parents were more likely to trust other people. As young adults, this relationship was reversed: Now young people who said that they largely agreed with their parents (in 1965) were more likely to become trusting adults. Young people value freedom from their parents. But if parents serve as role models, agreement with parents might be even more useful in transmitting values than tolerance of opposing viewpoints. Nurturing still matters later on, but in a different way: Young adults who find common bonds with their parents are more likely to trust others.

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Table 6-1 about here

Parental trust also matters, though the effects don't seem quite as long lasting as nurturing style. Whether you have faith in people depends upon your parents' confidence in others from nine years ago, rather than 17 years earlier. Young adults whose parents trusted other people in the past (1973) are more likely to trust others now. There may also be an indirect link from parental trust, through education. Parental education (in 1965) shapes both parents' trust and young adults' trust, even 17 years later. Indeed, it is the strongest determinant of young adults' faith in others.[3]

The other major predictors, as measured by the effects, of young adult trust are young people's attitudes toward out-groups, and young people's own trust–all measured in 1965. Early tolerance of out-groups strongly promotes later trust. In-group attitudes don't matter quite so much.[4] The direct effect of parental trust and the indirect effects of nurturing style and the level of parental education are not the whole story. In the 1960s, before the current wave of fundamentalism, religiosity boosted interpersonal trust.[5]

Optimism for the future is a key determinant of trust and I showed in Chapter 4 that this result also holds for the Niemi-Jennings youth sample in 1965 with just about the same impact. People who said that their life hopes would be fulfilled were substantially more likely to trust other people. And again, African-Americans are less likely to trust others.

Overall, race, current levels of optimism, the legacy of parental nurturing and background, and values held 17 years previously are good predictors of trust as a young adult. The strongest predictors are *not* contemporaneous measures, but indicators that go back to high school (and

perhaps college) years.[6]

A young adult who was trusting in 1965, had parents who placed confidence in others nine years earlier, and who gave high marks to out-groups had a .769 probability of trusting others--compared to a .377 probability for a respondent who was not trusting 17 years earlier, did not have a trusting parent, and ranked out-groups negatively.[7] Add to the "trusting" profile four years of graduate education for a parent and the probability rises to .818. And then say that the parent attended religious services at least weekly in 1965 and the probability jumps further to .848. In contrast, consider the young adult at the other end of the scale: As a high school student, he didn't trust others and had negative views of out-groups. His parent in the sample had just a seventh grade education, never attended services when he was in high school, and did not trust others nine years earlier. This young adult would have just a .209 probability of being a truster. A positive home environment, together with early trusting views, makes it almost inevitable that high school students will become Lane's "sociable" adults.

## Changing Patterns of Trust

Trust may be stable, but it is not unmoveable. In the 1972-74-76 ANES panel about a quarter of the respondents took a different position on trust from one wave to another, and slightly more than a third did so in the Niemi-Jennings youth sample over a longer period, 1965 to 1982. By now, we have a pretty good idea of what shapes trust: optimism for the future. The two trends track each other quite well in the GSS time series, as I show in Figure 6-1 below.[8] But rather than focusing on stability, I look at how people have changed their attitudes over time, which exploits one of the great advantages of panel studies (cf. Uslaner and Conway, 1985). I thus concentrate on people who *don't* fit the standard pattern of consistent behavior that is largely

shaped by optimism, education, attitudes toward out-groups, fundamentalism, and a few other key indicators. I use both the ANES panel and the Niemi-Jennings youth sample from 1973 to 1982 to estimate models for changes in trust.[9]

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Figure 6-1 about here

The models I estimate for changes in trust are based upon two basic types of variables. The first are the determinants of trust I have employed throughout: attitudes toward out-groups, religiosity, and optimism for the future. The second are based upon the key events of the period during which trust fell most sharply: the civil rights movement and the war in Vietnam. I expect that people who became more favorable to civil rights would become more trusting, while those who opposed the war in Vietnam would become less trusting. The dependent variable is the direction of change in trust, from trust to distrust or from distrust to trust.[10] I estimate models for changes in trust from 1972 to 1974 and from 1974 to 1976 using the ANES panel and from 1973 to 1982 for the Niemi-Jennings youth sample. I present the results in Tables 6-2, 6-3, and 6-4, respectively.[11]

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Tables 6-2, 6-3, and 6-4 about here

The changes in trust in the early 1970s are largely due to the civil rights movement. The model in Table 6-2 reveals seven variables that significantly shape changes in trust from 1972 to 1974–and four of them either directly or indirectly stem from the civil rights movement. Apart from changes in contextual trust, the most powerful determinants of changes in trust are variations in in-group trust, changes in the feeling thermometers for civil rights leaders, changing

evaluations of civil rights progress, and attitudes toward school busing.

People who became less insular toward their own groups, more favorable to civil rights leaders, less likely to say that the pace of civil rights was too fast, and who supported school busing for racial integration were overwhelmingly likely to become more trusting. A person who supported busing and otherwise was becoming more favorable toward the civil rights movement and its leaders and less committed to her own in-group was almost certain to change (if she needed to at all) toward generalized trust. The probability of a change toward more trust is .968. People who opposed busing and became more insular and less supportive of civil rights were almost as certain to become mistrusters (probability of becoming a truster = .152).

Beyond the civil rights movement, there is evidence that fundamentalist values lead people to become less trusting. If you are worried that science might upset your religious beliefs, you were likely to move away from generalized trust.[12]

The civil rights movement energized the country's moral reserves. It might not have succeeded if it were simply a protest by African-Americans against centuries of discrimination. The movement would not have achieved the widespread support that led to changes in laws and behavior in the 1960s. And it most emphatically would not have built bridges across races. No other social movement–and certainly no voluntary organization–so explicitly called forth the message of forging trust across groups that were visibly different but who shared so many other values in common. Overall, Americans became slightly more supportive of civil rights from 1972 to 1974, leading a few more people to become trusters than to shift the other way.[13]

The civil rights movement had become less central to American political life by the mid-1970s. Other big events, from the war in Vietnam to Watergate to the energy crisis, displaced it

on the national agenda. Each tore apart American's social fabric, but only the war in Vietnam had big effects on social trust. Watergate didn't divide the country as Vietnam did. It was a political crime. Compared to the Vietnam conflict, which lasted almost a decade, it was over and done with rather quickly. And Americans were not as badly divided over Watergate issues as they were on Vietnam–or later on the impeachment of President Bill Clinton. The energy crisis (later crises) did lead to much incivility (cf. Uslaner, 1989). But it too was over quickly– perhaps too quickly for people to learn from one energy shortage to the next.

Vietnam was different. It was the first war that the United States "lost." For many, it was literally a matter of life and death. And it divided families, political parties, and social groups. No wonder that it affected trust. What is surprising is that there was no big effect on trust until the war was close to its close. There were no significant Vietnam effects in the first two waves of the 1972-74-76 panel and the war had no effects on changes in trust over the first two years. From 1974 to 1976, however, both overall attitudes toward the war in 1976 and change in attitudes toward the military had significant effects on trust. People who opposed the war were less trusting, as their rhetoric suggested. And people whose opinions of the military became more positive between 1974 and 1976 were more likely to put their faith in others. The effect for changes in attitudes toward the armed forces was large–.216, the fourth largest in the model. Overall, people with positive views on Vietnam on both measures were very likely to become more trusting. Their probability of changing toward higher trust was .809. Opponents of the war who became less supportive of the armed forces were had only a .474 probability of becoming a truster.

By the mid-1970s civil rights beliefs had no direct effect on changes in trust. There were,

however, indirect effects through the two measures of particularized trust. Apart from contextual trust, two of the three biggest effects came from changes in particularized trust. When we developed more favorable views of out-groups and less affect for our own kind, we became more trusting. The other major force affecting changing trust was a person's position on the Vietnam war. People who became more supportive of the military also became more trusting. Opponents of the war in Vietnam really were less likely to place confidence in other people, not just those over 30.[14]

Altogether, people who became considerably more trusting of out-groups and less enamored with their own in-groups were almost certain (probability = .849) to become trusters.[15] In the 1970s the two measures on the war in Vietnam were almost as powerful.[16] When I combine the effects of particularized trust and attitudes on Vietnam, the impacts are striking. Consider a supporter of the war and the military who also was becoming more tolerant of out-groups and less insular. She would have a .952 probability of changing from mistrust to trust, compared to a .222 chance for someone with the opposite ideas.

The effects of both Vietnam and civil rights lingered for years to come. In the Niemi-Jennings 1973 and 1982 youth samples, there are still significant impacts for both the war and the crusade for racial justice. Yet, the strongest determinant of changes in trust from 1973 to 1982 is change in the feeling thermometer toward business, which may reflect both the better economic times of the 1980s and the waning of the liberalism of the 1960s which spurred the activism against the war in Vietnam. People who were optimistic about life were also substantially more likely to shift toward trust. But the second biggest effect was change in affect toward blacks. And whether one had a friend of the opposite race while in high school also contributed signifi-

cantly to becoming more trusting. Attitudes toward minority groups and having friends of the opposite race as a child led young adults to become more trusting.

Vietnam still was important, but in a very different way than we have seen so far: People who opposed the war were becoming more trusting.[17] This result seems curious initially. The Niemi-Jennings youth sample consists of Early Baby Boomers, the generation noted for opposition to the war in Vietnam (though it actually wasn't more anti-war than its elders)[18] and its lack of trust. When they became young adults, those who were critics of the war were more likely to change from mistrusters to trusters.

## Boomers Booming

Why has trust dropped from almost 60 percent in 1960 to around 40 percent today? The decline in civic engagement is *not* a promising place to look. Most types of civic engagement are not at all related to trust–as either cause or consequence. And those that do consume rather than produce trust–and show no evidence in the GSS time series of atrophying. Membership in cultural (literary) organizations is relatively steady over time–inching up to 11.5 percent in 1993 from 9.4 percent in the 1970s before slipping back to 9.8 percent in 1994. And membership in professional organizations has increased sharply–from 13 percent of the population in the 1970s to 19 percent in 1994–an increase of more than 40 percent. Participation increased from 19 percent to 26 percent among generalized trusters. But it doubled among mistrusters–from 7 to 14 percent. The connections between trust, overall group membership, secular group membership (excluding unions), literary associations, and professional groups are all *negative*, and some of these correlations are of more than modest size. Multivariate analysis confirms that trust has either no effect on group membership–or, perhaps a negative impact.[19]

An alternative thesis is generational. Since most people are either consistent trusters or mistrusters, the aggregate changes in trust are likely to reflect changes due to population replacement. Younger generations are less trusting than their elders were. Putnam (2000, 140) attributes "most, if not all of the decline in American social trust since the 1960s...to generational succession." Early Baby Boomers (born between 1946 and 1955) who were the most vocal protestors of the war were the demarcation between the "long civic generation" born between 1910 and 1940 and their less trusting successors born after World War II. Putnam (1995b, 676, emphasis added) argues: "It is as though the post-war generations were exposed to some mysterious X-ray that *permanently and increasingly* rendered them less likely to connect with the community" (cf. Brehm and Rahn, 1997).

Of course opponents of the war in Vietnam didn't trust other people. They didn't believe that their political adversaries shared their values. Many rejected the dominant culture in favor of a new "counterculture." A new, less trusting generation emerged and you could hope against hope that the Baby Boomers might become more trusting (and participatory) as they grew older. In the past, people became more trusting as they aged. This link has been broken.

Putnam got it right–but he missed by a decade. Yes, the post-war generations became less trusting and, yes, for most of them there has been no sign of a mid-life renaissance. One cohort stands out as a dramatic exception–the "first" uncivic generation, the young people who first came of age with television and who were the most vociferous protesters of the war in Vietnam. These Early Boomers started out just where we would expect them to be–the least trusting cohort. But by the 1980s something happened: Boomers began to become more trusting, though erratically so. By the late 1980s, "the last shall be first" (Matthew, 30). Or, as an assistant

professor of philosophy at my undergraduate institution prophesied after he was denied tenure during the heyday of the counterculture: "All the potheads will become department heads."[20] The Early Boomers *permanently and increasingly* became the new–and perhaps last–trusting cohort.[21]

Throughout all of the 1990s the Early Boomers were markedly more trusting than *any other cohort*–in virtually every survey, be it from the GSS, the ANES, the Washington Post, or the INDEPENDENT SECTOR.[22] I present the trends for overall trust (thin line) and early boomer faith in others (thick line) in Figure 6-2. Early boomers were generally less trusting than the entire population throughout the 1970s. They spurted ahead in 1981 before falling substantially below others in 1983. They tracked the overall population in 1984 and 1986 (there are no trust data for 1985). In 1987 Early Boomers began to outpace the population (by 2.7 percent). By the next year, they had become considerably more trusting (by 7.3 percent)–and even overtook pre-boomers (by 48 to 43 percent). Early Baby Boomers were becoming more trusting in their middle age.[23]

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Figure 6-2 about here

The trends are put in sharper relief in Figure 6-3, where I plot trust over time for three different cohorts: the Early Baby Boomers, the highly civic generation born in the 1920s (called the "last suckers" by sociologist Charles Tilly [Putnam, 1995b, 675]), and people who were born in the 1960s. In one sense the expectations of the conventional wisdom are fulfilled: The 1960s generation is (with one exception) far less trusting than the Early Boomers. The average gap is 13 percent and it is fairly consistent over time. On average, 30.9 percent of the 1960s generation

agree that "most people can be trusted" from 1980 onward, compared to 43.8 percent of Early Boomers. And the succeeding cohort, people born in the 1970s, are even less trusting (averaging 23.7 percent from the first measurement in 1990). And, in contrast to the Early Boomers, the 1970s generation is becoming *less* trusting as they grow older. So succeeding generations have less faith in others and there is no sign of any recovery as they age.

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Figure 6-3 about here

The 1920s generation began as by far the most trusting cohort. In each year of the 1960s 60 percent or more believed that most people can be trusted. By the early 1990s this cohort was *less* trusting than the Early Boomers and by 1996 it had barely more faith in others than the 1960s generation. Over the 24 time points from 1980 onward, the "last sucker" cohort was two percent less trusting than the Early Boomers. The 1920s generation lost on average two-thirds of a percent trust every year from 1960 onward, as faith in others fell from 66.9 percent to 30.2 percent in 1996 before recovering to 42 percent in 1998. And the civic generation's "advantage" over the Early Boomers also fell sharply over time.[24]

The attrition in trust is *not* confined to the "last" civic generation. With the exception of the Early Boomers, *every cohort* for which there are time series data became less trusting over time–and all recent generations have become less likely to place faith in others than their elders. I present selected trends in Table 6-5.[25] The 1920s generation had the biggest drop in trust over time, in part because it started so high. But there are notable downturns for cohorts born in 1900, 1910, and 1930. The increases in trust for the 1940s and 1950s generations are entirely due to the early boomer (1946-1955) effect.

Table 6-5 about here

Why did the Early Boomers go against the grain from the late 1980s onward? I estimated probit models for trust for Early Boomers in the "early" (1972-87) and "later" periods (1988-1994) using the GSS (see Table 6-6).[26] I estimated identical models for the two eras for pre-boomers (born in 1945 or earlier) and post-boomers (born since 1956) and report just the probit effects and levels of statistical significance in Table 6-7.

Tables 6-6 and 6-7 about here

The models are much the same as the GSS equations I estimated in Chapter 4 (though many of the questions asked in the 1987 module are not available for the full sample). I add two variables that will prove to be of great import: whether people get ahead by luck or hard work, which appears to tap both optimism and especially personal control, and a "tolerance factor score." This measure is a composite index of whether people are willing to permit atheists, racists, communists, and militarists to speak in public forums, teach, and have their books in libraries. As I argue in Chapter 7, tolerance of unpopular groups is a mark of the truster. I treat it there as a consequence of trust, but the relationship may well go both ways– from an acceptance of people who are different to trust as well as from faith in strangers to a liberal attitude on civil liberties. It seems like a reasonable surrogate for the particularized trust measures that I constructed from the ANES and Niemi-Jennings surveys but are not available in the GSS measures.

Each model has 13 independent variables and I estimated six equations (one for each era

for pre-boomers, Early Boomers, and late boomers). These 78 coefficients offer lots of room for interpretation. Much of the time the results only repeat what I have already demonstrated about optimism, control, and personal experiences in Chapter 4. Most of the time, when a variable becomes more or less important across time periods, the change occurs for all three age cohorts.[27]

Overall, two things stand out when we compare effects across time and cohorts. First, for both pre- and post-boomers, the link between feelings of optimism and control and interpersonal trust become weaker over time. For Early Boomers, on the other hand, optimism and control became *more important* determinants of trust.[28] Second, for every cohort, tolerance becomes more important in the later period. For Early Boomers, tolerant attitudes became far more important than for either pre- or post-Boomers. Indeed, tolerance ranked only behind college education in shaping Early Boomers' trust.[29] The effect of tolerance for Early Boomers is 45 percent greater than the impact for post-boomers and almost twice as great as the effect for pre-boomers.

The Early Boomers were at least as optimistic as other cohorts.[30] But their optimism goes further in generating trust. Trusters are also more likely to have a college education–and this leads to greater trust. They are *far more tolerant*.[31] And their tolerance goes farther. The Early Boomers grew up during the civil rights movement and have a legacy of optimism and tolerance that makes them view people different from themselves as part of their moral community.

The boomers may have damned the system during Vietnam and Watergate. Yet they came of age during the early 1960s, the years of the "American High," when everything seemed possible (O'Neill, 1986). The Boomers may not have come around to this realization until they had made it themselves--with comfortable incomes and a happy family life. They might be the last

generation to buy into the expectation of the promise of Disneyland: "There's a great big beautiful tomorrow."

For each cohort the American Dream came true. The 1920s generation began the time trend at the top of the economic heap. But in the mid-1970s their economic prowess began to fade. By 1977 their children, the boomers, had surpassed them in family income.[32] In the 22-year period from 1973 to 1996 the 1920s generation family income rose from approximately $9,000 to around $19,000 (based upon the GSS categories). Surely much of this was eaten away by inflation. The boomers saw their income rise from about $7,500 to almost $25,000. *More than any other cohort in America, the boomers made it. They were better educated and had higher incomes.* ***And they were the last, at least in this time series, to earn more than their parents.*** *As their income matched their expectations, they regained faith in their fellow citizens.* The post-boomers of the 1990s earned slightly more than their parents. The generation of the mid-1940s and early-1950s had outpaced its predecessors and was running away from its successors.

The Boomers became optimistic because the American Dream came true for them, more so than for any other generation in recent memory. The pre-boomers overcame the Great Depression and gained a sense of national purpose and destiny in World War II. But, they later saw their income stagnate. The post-boomers' incomes rose slowly, up to the levels of their grandparents. They did not fare as well as their parents. It wasn't supposed to be that way.

## Fraternité and Egalité

Optimism, not income, is the driving force behind generalized trust. Trust cannot thrive in an unequal world. People at the top will have no reason to trust those below them. Those at the

top can enforce their will against people who have less (A. Seligman, 1997, 36-37). And those at the bottom have little reason to believe that they will get a fair shake (Banfield, 1958, 110). The rich and the poor have little reason to believe that they share common values–and thus they might well be wary of others' motives.

The Early Boomers weren't optimistic simply because they made more money than either pre- or post-boomers. Rather, their incomes were distributed more evenly. What matters is not *how rich a country is, but how equitable the dispersion of income is*. The standard deviation tells us how equitably incomes are dispersed. Incomes seemingly became more equitable for each group over time–though this is a mirage due to category creep.[33] But category creep alone can't explain why Early Boomers *consistently have the lowest standard deviations of any cohort*.

For every comparison, both the early and later periods and for each specific year (1973, 1984, 1988, and 1996), the Early Boomers had a more equitable distribution of wealth than any other cohort. I present standard deviations of incomes for the early and later periods and also for selected years in Table 6-8 from self-reports in the GSS. Another common measure of the dispersion of wealth is the Gini index of inequality. The measure ranges from zero (complete equality) to one (where a hypothetical economic tyrant would control all wealth). The distribution of income has become more unequal since the 1960s. In the 1960s, the Gini index ranged from .348 to .364.[34] By 1994 to 1996, it increased to between .421 and .426.

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Table 6-8 about here

Only a handful of people pay attention to aggregate statistics such as standard deviations of income or Gini indices. How meaningful are the distributions of income to average folks? You

don't need to be an economist to determine whether the rich are getting richer and the poor are getting poorer. Most of us have a pretty good idea where we fit in. The people with the highest incomes and lowest standard deviations–the Early Boomers–see themselves as faring best. From 1988 onward Boomers say that they are about as well off as anyone else, while both pre- and post-boomers (and people born in the 1960s in particular) see their income as somewhat below average.[35]

We have two ready sources of information: how well we are faring and the information we get from the media–mostly television. People look at others in their reference group to determine how well they are doing financially (Mutz and Mondak, 1997). So it seems reasonable for Early Boomers to look at others in their cohort to figure out their place on the economic ladder. People also get their impressions of where they fit on the economic ladder by what they see on television. We see visions of the good life on television. TV shows often glorify the "lifestyles of the rich and famous"[36] but news programs also pay a lot of attention to people lining up at homeless shelters when things are bad. It doesn't take too much imagination for people to determine how they are doing. I estimated a model for how well people see themselves doing compared to others.[37]

People who watch a lot of television are more likely to think that their own economic situation is worse than average. In part the difference between the cohorts who see themselves falling behind and those who think that they are doing relatively well lies in media effects. The more television people watch, the more likely they are to think that they are doing relatively poorly–except for Early Boomers, where television has no effect. And the Early Boomers watch the least television anyway.[38]

Television is only part of the story and it pales by comparison to the "real world"–people's actual income, the best predictor of your relative financial situation. Overall, we make reasonable distinctions. In the aggregate, people are more likely to think that hard work won't be sufficient to get ahead in the world when income equality is high. The GSS trend in how people get ahead–by hard work (lower scores on a three-point scale) or luck (higher scores)– tracks income inequality well. There is a slightly better fit with a lagged Gini index than with a contemporaneous measure: We may wait to see how lasting the bad news is before we reassess their assumptions about how people get ahead (see Figure 6-4).[39] The level of economic inequality also shapes another key measure of optimism–whether people see life being better for their children than for themselves (cf. Chapter 4). When economic inequality is growing, people fear that their kids won't fare as well as they have (see Figure 6-5).[40]

Early Boomers responded to their own economic well-being and not to the trends for the entire country. Boomers (in the aggregate) say that they are doing well when as they make more money–and as the standard deviation of their income distribution falls.[41] As the overall level of inequality in the country (the Gini index) increases, the Boomers became more satisfied with their own financial status. The Boomers' income rose–and became more equal-- as wages for the rest of the country fell.[42] No wonder the boomers became more trusting as the rest of the country's faith in others fell.

Some, perhaps much, of the growing income gap is generational, just like the trust gap. The Boomers moved away from the general trend of trust as they became well off. This is a direct piece of evidence that real life matters. Yes, we get much of our information about how well we are doing from television. But we get even more from observing how well our circle of

friends and associates are doing. This is the most direct evidence we have about inequality. So Early Boomers got a mixed message–one from their own enviroment (optimism) and the other about most of the rest of the country (pessimism). But it was still a far more upbeat message than other cohorts were hearing. So the Boomers were more optimistic than most, but still less trusting than the pre-boomers in earlier years.

Samuelson (1995, xiii, 54, 129) argued that the extraordinary economic performance raised people's expectations unrealistically. No matter what else happened, he said, we could not replicate the go-go years of the booming sixties. So Americans became pessimistic about the future even as things continued to get better, albeit more apace. But the growing economic inequality shows that not everyone has prospered in recent years. Looking only at overall growth hides the reason why Americans have become less optimistic. *Optimism may not depend upon your own income, but rather it is more closely linked to how well you expect to do* (Mutz and Mondak, 1997, 300). Perhaps the 1960s raised expectations to unrealistic levels. But, based upon the level of economic inequality in the country, these hopes did not seem out of line at the time. The political commitment of the War on Poverty to reduce inequality even further boosted aspirations even further.

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Figures 6-4 and 6-5 about here

Optimism provides the link between perceptions of prosperity and trust. Economic well-being in and of itself does not explain variations in trust. The rates of unemployment and especially inflation have little to do with the state of trust.[43] Economic growth also has but modest effects on trust. Yet there is a direct linkage between trust and economic inequality in the

United States, as I show in Figure 6-6. Economic inequality has a much stronger effect.[44] The regression equation predicts a decline of trust of 14 percent based on the rise of economic inequality in the United States from 1960 to 1996. Trust actually fell 22 percent–but economic inequality's contribution is substantial. Changes in the Gini index alone account for almost two-thirds of the decline in trust (see also Chapter 8 for cross-national evidence).[45]

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Figure 6-6 about here

The level of economic inequality is the prime mover of generalized trust. Vietnam and especially the civil rights movement clearly played a big role in shifting many people's levels of trust. But, for most people, trust is a stable value, so the amount of individual level change is not likely to be great. There is also little evidence that individual changes tilted heavily in either direction across the surveys I examined. And it is difficult to measure aggregate changes attritutable to either Vietnam or the civil rights movement, since there are not good time series data on attitudes toward the Vietnam war or even on the civil rights movement.

In seeking a more general account of why trust has declined, I look first to economic inequality and then to other variables that may lead to both short- and long-term fluctuations in generalized trust. I estimate an equation for generalized trust over time in the United States in Table 6-9. Aside from the Gini index, I include two other variables: a dummy variable for Presidential election years and Stimson's (1998) measure of "public mood."[46]

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Table 6-9 about here

The election year dummy reflects an interesting structural effect, also noted by Rahn,

Brehm, and Carlson (1997; see also Uslaner, 1999d, 143): Trust in people rises in Presidential election years, at least since 1976. People may look to Presidential elections as opportunities to change the direction of the country. Elections may forge a sense of community as people participate in choosing their leaders (Rahn et al., 1997, 7).[47]

The second variable is based upon an argument of Rahn and Transue (1998). Their study of young people's attitudes reveals powerful relationships between trust and materialism at both the aggregate and individual levels: The more materialistic people are, the less likely they are to trust others. Rahn and Transue (1998, 551) equate materialism with Tocqueville's "unchecked" individualism. Tocqueville (1945, 98) argued: "Selfishness blights the germ of all virtue; individualism, at first, only saps the virtues of public life; but in the long run it attacks and destroys all others and is at length absorbed in downright selfishness." As materialism increases, then, trust in others should decline. Alas, there is no measure of materialistic values over time. A surrogate is Stimson's (1998) measure of public mood. The mood construct is an estimate of the relative liberalism (higher values) and conservatism of the American public across a wide range of policy issues over time. My logic for using it is rather simple: Materialism rises in more conservative eras (such as the Reagan administration), which are often called by such names as the "me" generation.

The model performs very well statistically. It accounts for almost all of the changes in trust over time. And it points to the central role of economic inequality in the decline of trust in the United States. The Gini index accounts for 81 percent of the fall in trust.[48] The public mood explains 38 percent of the shift in trust, while the election year dummy accounts for just 21 percent. Obviously, I have "overpredicted" the decline in trust–but these variables are correlated

with each other, making it difficult to separate out independent effects. But there is a clear message that while election years bring a temporary boost (about five percent) in trust, the longer-term trends stem from ideological shifts among Americans and especially from rising income gaps.

## Reprise

There is strong evidence that optimism leads to greater trust and that both depend upon economic equality. This finding eludes individual-level analysis, since there is no direct way to measure inequality at the individual level. The distribution of income is the key to why trust has declined in the United States but also why one particular group, the Early Boomers, went against the grain and became more trusting. It is also a major reason why African-Americans have less faith in others than whites do–and why the civil rights movement may have boosted peoples' faith in others. The civil rights movement was about equal treatment under the law, but it was also about the deeper legacy of slavery, African-American poverty. It offered hope for economic as well as legal progress and it fit very well with the overall optimism of the "American High" years. Protests over the war in Vietnam offered few expectations that things would get better. And this is why the main effect of the war was to destroy our faith in others rather than to build it up.

More generally, collective experiences shape our willingness to trust strangers (cf. Rothstein, in press). They always have roots in "real life," though they don't always reflect our daily life and people we know. Yet, as with economic inequality, we form our impressions of the world by what we see all around us, even if not from our immediate experiences.

In the next chapter, I move to an examination of the consequences of trust. In Chapter 8 I show that economic inequality separates the trusting and the distrusting beyond the United States. And this robust finding will send a big note of caution for people who look for a quick

institutional fix to the problem of declining trust.

TABLE 6-1

Probit Analysis of Trust from Niemi-Jennings Parent-Child Panel: Child Sample 1982

| | Coefficient | Std. Err. | MLE/SE | Effect |
|---|---|---|---|---|
| Trust (1965) | .472**** | .109 | 4.339 | .166 |
| Parental trust (1973) | .284*** | .116 | 2.460 | .098 |
| Parent education (1965) | .037** | .019 | 1.939 | .225 |
| Can determine own friends/activities | .121** | .055 | 2.184 | .082 |
| Parent: Sometimes disagrees with child | -.237** | .111 | -2.127 | -.081 |
| In-group trust (1965) | -.001 | .004 | -.203 | -.015 |
| Out-group trust (1965) | .007** | .004 | 1.899 | .213 |
| Frequency parent service attend (1965) | .144*** | .052 | -2.748 | .145 |
| Fundamentalist church member (1965) | -.178* | .110 | -1.620 | -.060 |
| Life will be as wished (1982) | .387**** | .104 | 3.717 | .131 |
| Black | -.381** | .210 | -1.814 | -.133 |
| Constant | -.602* | .288 | -2.092 | |

Estimated $R^2$ = .281  -2*Log Likelihood Ratio = 806.963  N = 684

Percent Predicted Correctly: Probit: 69.0  Null: 61.8

**** p < .0001  *** p < .01  ** p < .05  * p < .10

TABLE 6-2

Changes in Trust from 1972 to 1974 from ANES Panel[#]

| | Coefficient | Stand. Error | MLE/SE | Effect |
|---|---|---|---|---|
| Change in in-group trust 72-76 | -.012** | .005 | -2.281 | -.329 |
| Change rights leader thermometer | .009** | .004 | 2.335 | .251 |
| Change civil rights too fast | -.110* | .068 | -1.624 | -.157 |
| School busing scale | .137*** | .058 | 2.354 | .270 |
| Change in contextual trust | 5.324*** | 1.772 | 3.005 | .366 |
| Science may upset beliefs | -.069* | .043 | -1.619 | -.098 |
| Gender | -.389** | .174 | -2.229 | -.140 |
| Constant | 1.226 | .449 | 2.731 | |

Estimated $R^2$ = .206 -2*Log Likelihood Ratio = 304.738 N = 244

Percent Predicted Correctly: Probit: 66.0 Null: 54.5

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

[#] Effect ranges are truncated from -40 to +40 for civil rights leader thermometer and from -2 to +2 for change in civil rights too fast.

TABLE 6-3

Changes in Trust from 1974 to 1976 from ANES Panel[#]

| | Coefficient | Std. Err. | MLE/SE | Effect |
|---|---|---|---|---|
| Change in in-group trust 72-76 | -.012** | .006 | -1.860 | -.207 |
| Change in out-group trust 72-76 | .018*** | .007 | 2.359 | .277 |
| Oppose U.S. role in Vietnam (1976) | -.107** | .050 | -2.133 | -.139 |
| Military thermometer change 74-76 | .012*** | .005 | 2.353 | .223 |
| Change in contextual trust 74-76 | 6.501*** | 2.113 | 3.077 | .432 |
| Safe to walk street at night (1976) | .384** | .203 | 1.887 | .127 |
| Change in service attendance 74-76 | -.137* | .093 | 1.478 | -.136 |
| Gender | .446** | .198 | 2.254 | .146 |
| Constant | -.574 | .416 | -1.378 | |

Estimated $R^2$ = .334 -2*Log Likelihood Ratio = 243.116 N = 213

Percent Predicted Correctly: Probit: 70.4 Null: 64.3

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

[#] Effect ranges are truncated from -30 to +30 for military thermometer change 1974-76 and from -2 to 1 for change in service attendance from 1974-76.

TABLE 6-4

Changes in Trust from 1973 to 1982 from Niemi-Jennings Parent-Child Panel: Child Sample

| | Coefficient | Stand. Err. | MLE/SE | Effect |
|---|---|---|---|---|
| US did right in Vietnam (1973) | -.431** | .239 | -1.804 | -.141 |
| Change in black thermometer 65-82 | .008** | .005 | 1.738 | .374 |
| These are best years of life (1982) | .721*** | .305 | 2.366 | .235 |
| Change in business thermometer 73-82 | .029**** | .007 | 4.041 | .565 |
| Had friend of opposite race (1965) | .520** | .258 | 2.015 | .162 |
| Constant | -.293 | .315 | -.930 | |

Estimated $R^2$ = .382  -2*Log Likelihood Ratio = 170.314  N = 151

Percent Predicted Correctly: Probit: 72.2  Null: 58.9

**** p < .0001  *** p < .01  ** p < .05

[#] Effects ranges change in business thermometer truncated to between -30 and +30.

TABLE 6-5

Trust by Cohort in 1960, 1972, and 1996

| Year/ Cohort | 1960 | 1972 | 1996 | Change 1960-72 | Change 1972-96 |
|---|---|---|---|---|---|
| 1900 | .513 | .402 | — | -.111 | — |
| 1910 | .643 | .523 | .390 | -.120 | -.133 |
| 1920 | .669 | .546 | .302 | -.123 | -.244 |
| 1930 | .605 | .567 | .441 | -.038 | -.126 |
| 1940 | — | .444 | .503 | — | .059 |
| Early boomer | — | .376 | .447 | — | .071 |
| 1950 | — | .317 | .394 | — | .077 |
| 1960 | — | — | .284 | — | — |
| 1970 | — | — | .203 | — | — |

TABLE 6-6

Probits for Trust for Early Baby Boomers in Early and Later Eras from General Social Survey 1972-96[#]

| | Early Period (1972-1987) | | | Later Period (1988-1996) | | |
|---|---|---|---|---|---|---|
| | Coefficient | Std. Error. | **Effect** | Coefficient | Std. Error | **Effect** |
| Contextual trust (by state) | 1.229*** | .489 | **.201** | 1.175* | .722 | **.180** |
| Lot of the average person worse | -.321**** | .094 | **-.111** | -.376*** | .144 | **-.121** |
| Not fair to bring child into world | -.252*** | .099 | **-.086** | -.413*** | .147 | **-.136** |
| Officials not interested in average person | -.248*** | .091 | **-.085** | -.443*** | .154 | **-.143** |
| Confidence in scientific community | .224*** | .072 | **.150** | .071 | .109 | **.044** |
| People get ahead by luck vs. hard work | -.004 | .058 | **-.003** | .299*** | .092 | **.181** |
| Tolerance factor score | .090** | .052 | **.088** | .309**** | .087 | **.285** |
| Satisfied with friendships | .160**** | .036 | **.303** | .096** | .057 | **.178** |
| Afraid to walk at night in neighborhood | -.097 | .085 | **-.032** | -.157 | .138 | **-.049** |
| High school education | .024 | .022 | **.093** | .076** | .035 | **.245** |
| College education | .031** | .017 | **.212** | .061*** | .026 | **.373** |
| Age | .021*** | .009 | **.142** | .039** | .019 | **.181** |
| Black | -.457**** | .127 | **-.152** | -.318* | .213 | **-.101** |
| Constant | -.481 | .438 | | -1.516* | .939 | |

Early: Estimated $R^2$ = .302 -2*Log Likelihood Ratio = 1258.488 N = 1069 Later: Estimated $R^2$ = .381 -2*Log Likelihood Ratio = 530.122 N = 483
Percent Predicted Correctly: Probit: 67.8 Null: 55.3 Percent Predicted Correctly: Probit: 71.6 Null: 50.7

**** p < .0001 *** p < .01 ** p < .05 * p < .10

[#] Effects for age calculated between 21 and 41 for early period and between 33 and 48 for later period.

TABLE 6-7
Probit Effects for Trust for Pre-Boomers and Post-Boomers in Early and Later Eras from General Social Survey 1972-96[#]

| | Pre-Boomers | | Post-Boomers | |
|---|---|---|---|---|
| | Early Period | Later Period | Early Period | Later Period |
| Contextual trust (by state) | .176*** | .100 | .218*** | .322*** |
| Lot of the average person worse | -.067*** | -.037 | -.015 | -.100** |
| Not fair to bring child into world | -.091**** | -.108*** | -.064** | -.027 |
| Officials not interested in average person | -.146**** | -.088** | -.095*** | -.058* |
| Confidence in scientific community | .121**** | .067 | .128*** | .071 |
| People get ahead by luck vs. hard work | .048** | .073* | .070** | .056 |
| Tolerance factor score | .125**** | .147*** | .151*** | .196*** |
| Satisfied with friendships | .304**** | .202*** | .053 | .207*** |
| Afraid to walk at night in neighborhood | -.083*** | -.128**** | -.089*** | -.070 |
| High school education | .181**** | .188**** | .072 | .287** |
| College education | .300**** | .321**** | .305*** | .475*** |
| Age | .085*** | .120** | .096 | .140** |
| Black | -.203**** | -.328**** | -.179**** | -.177**** |

[#] Effects for age calculate between 35 and 80 for pre-boomers in the early period and between 45 and 85 in the later period. For post-boomers, effects for age calculated between 18 and 31 in the early period and between 18 and 40 in the later period. For post-boomers, the top value for college education (for effects) is 16 years in the early period and 17 years in the later period.

**** $p < .0001$ *** $p < .01$ ** $p < .05$ * $p < .10$

TABLE 6-8

Standard Deviations of Income by Age Cohorts

| | Pre-Boomers | Early Boomers | Post-Boomers |
|---|---|---|---|
| Early Period | 3.161 | 2.898 | 3.114 |
| Later Period | 2.630 | 2.029 | 2.698 |
| 1973 | 3.063 | 3.033 | — |
| 1984 | 2.936 | 2.408 | 3.196 |
| 1988 | 2.758 | 2.229 | 3.196 |
| 1996 | 2.463 | 1.861 | 2.456 |

Source: General Social Survey
No post-boomers were in the 1973 survey.

TABLE 6-9

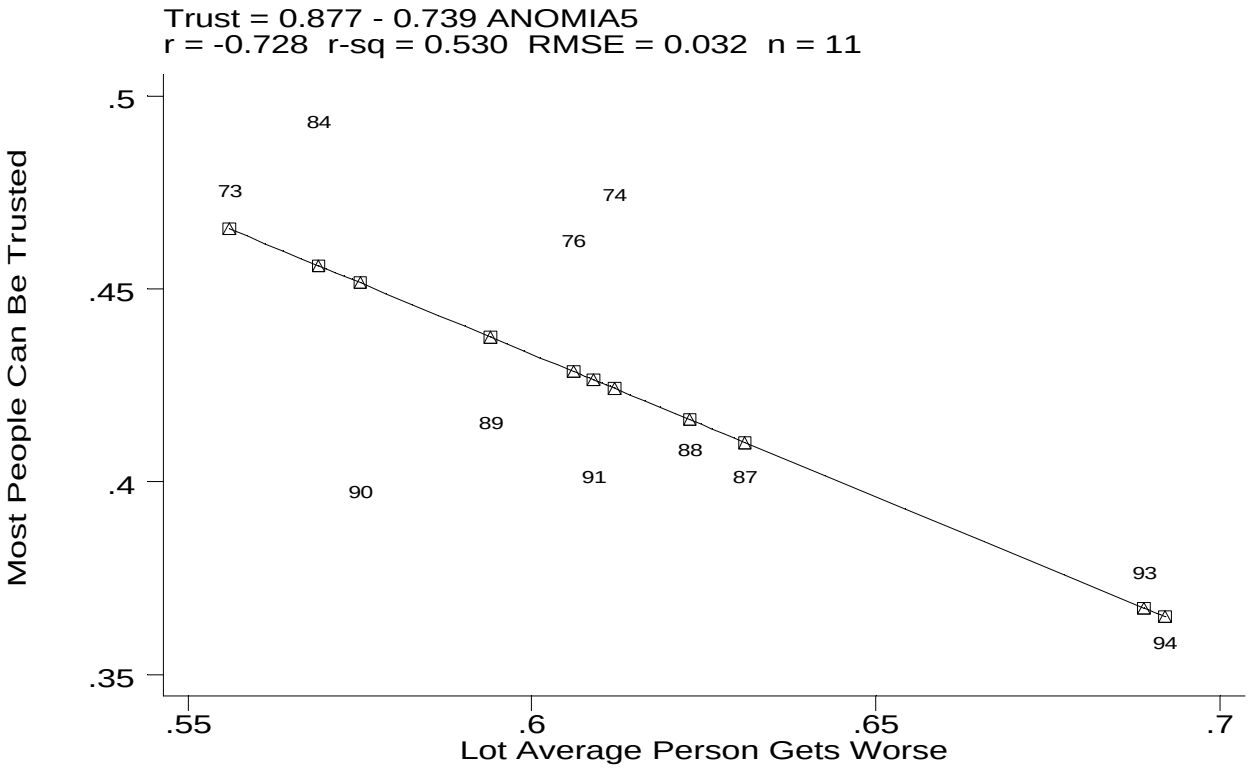
Predicting Aggregate Trends in Trust in the United States, 1960-1996

| | Coefficient | Standard Error | t Ratio | Bias |
|---|---|---|---|---|
| Gini index of inequality | -2.126**** | .226 | -9.414 | -.008 |
| Election year dummy | .047**** | .011 | 4.382 | .0003 |
| Public mood | .006**** | .001 | 4.445 | .0000 |
| Constant | .870**** | .092 | 9.437 | |

Adjusted $R^2$ = .821 RMSE = .027 N = 27

**** p < .0001

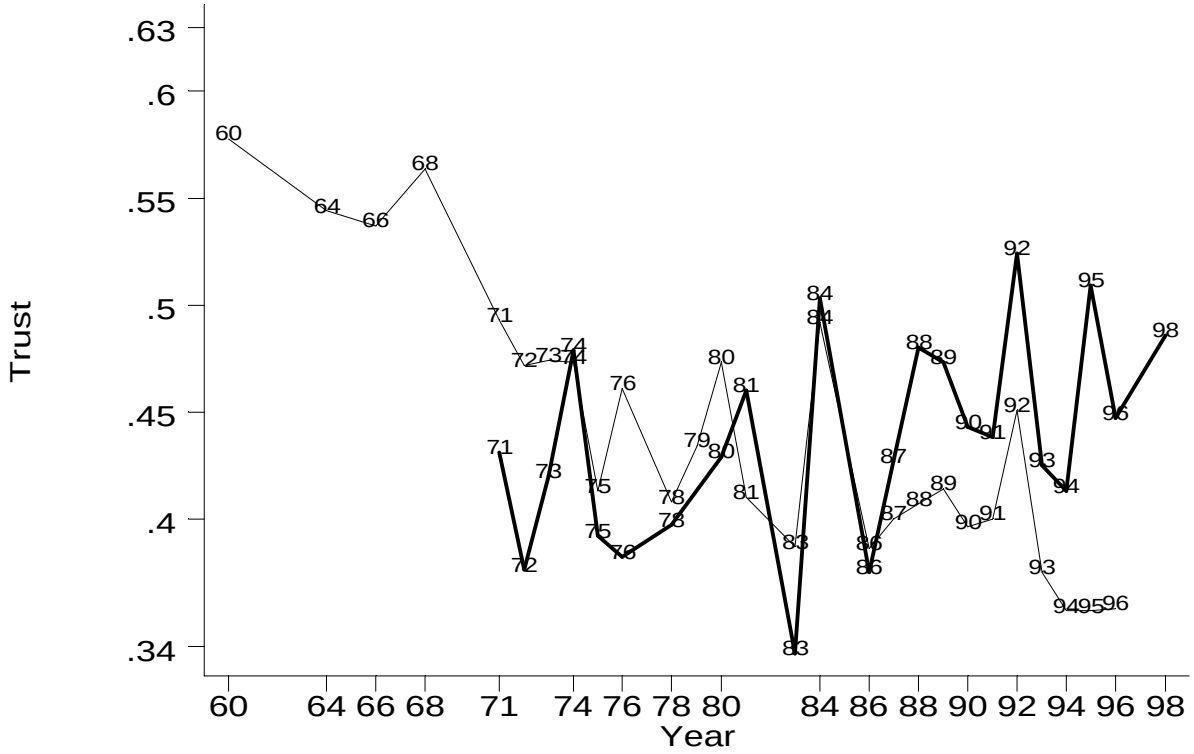
FIGURE 6-1
Trends in Trust and Optimism from General Social Survey*




* 1980 excluded as outlier. With 1980 included, b = -.453, $R^2$ = .223, RMSE = .042

FIGURE 6-2

Overall Trust and Early Baby Boomer Trust, 1960-1998




Thin line: Overall trust
Thick line: Early Baby Boomer trust

FIGURE 6-3
Trends in Trust by Cohort

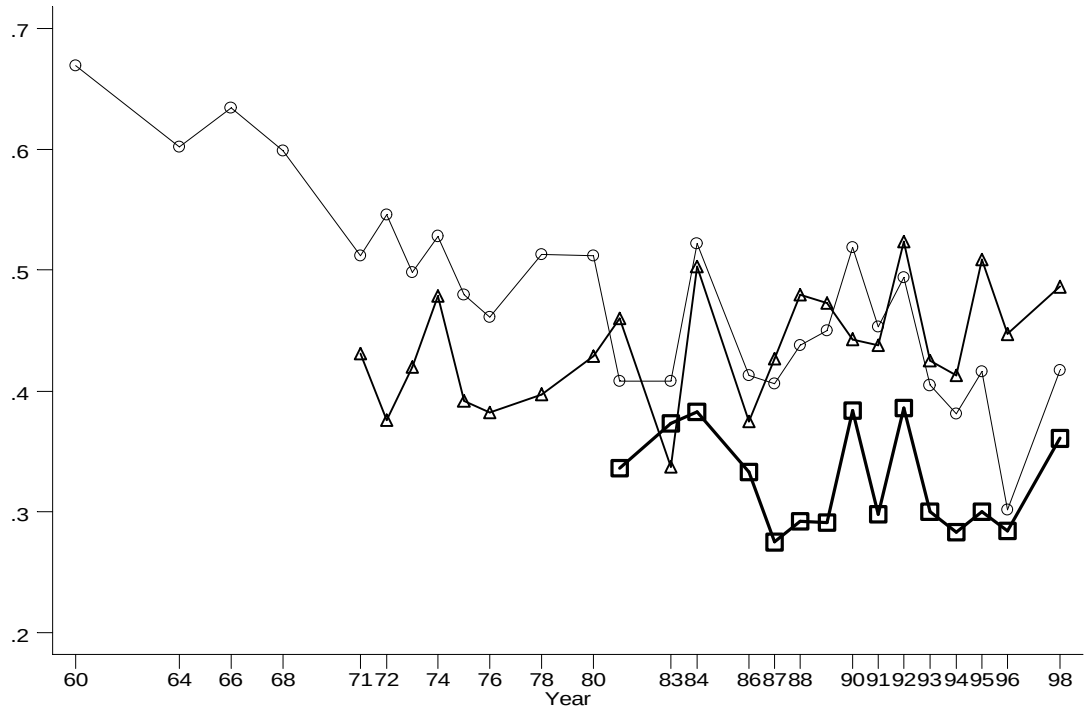


FIGURE 6-4

Trends in How People Get Ahead and (Lagged) Economic Inequality, 1973-1996

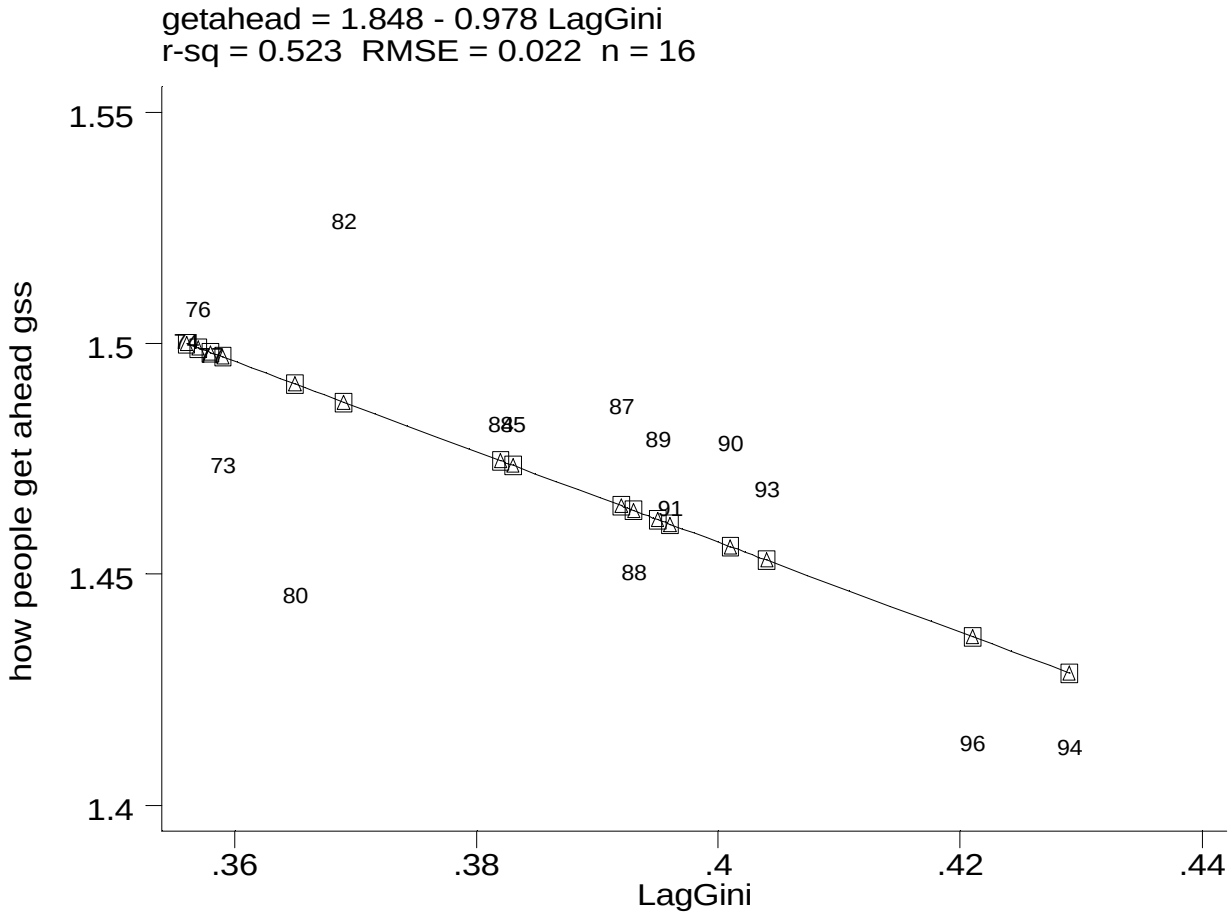
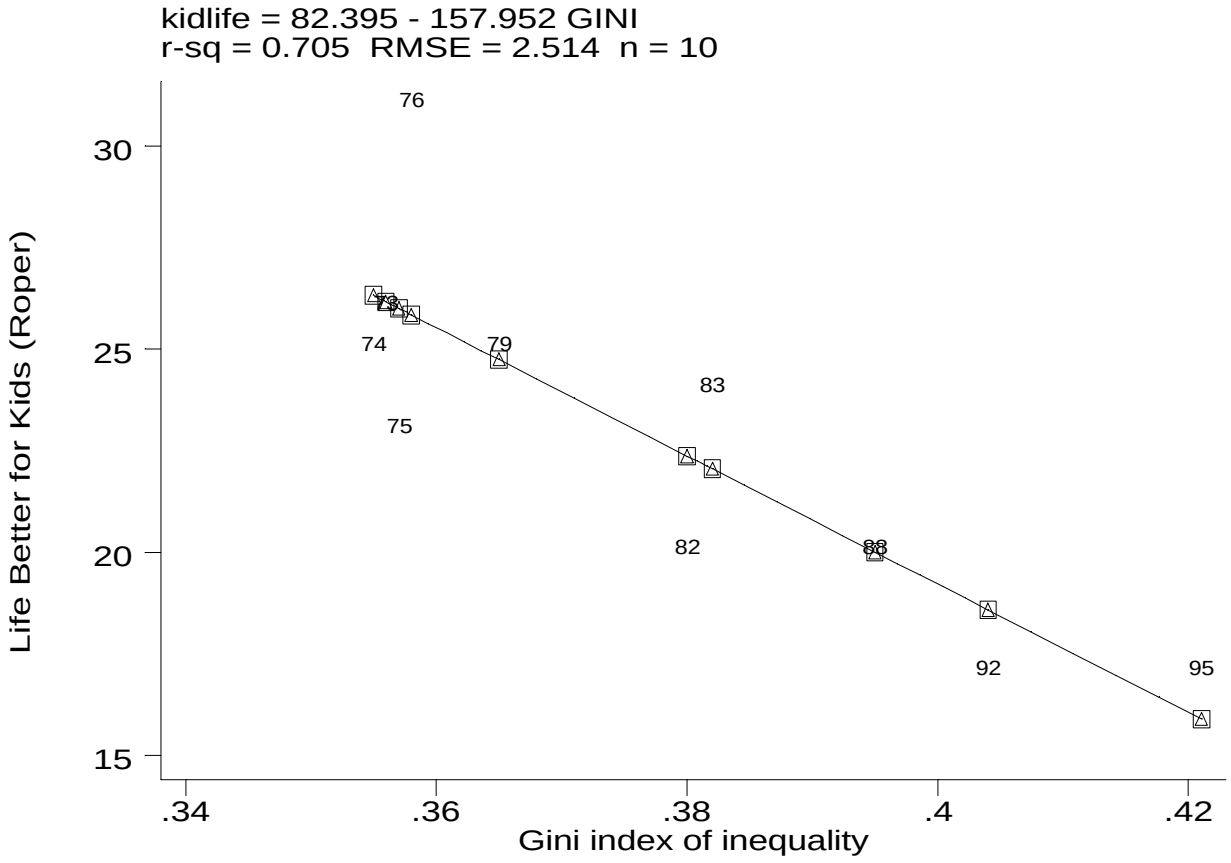


FIGURE 6-5

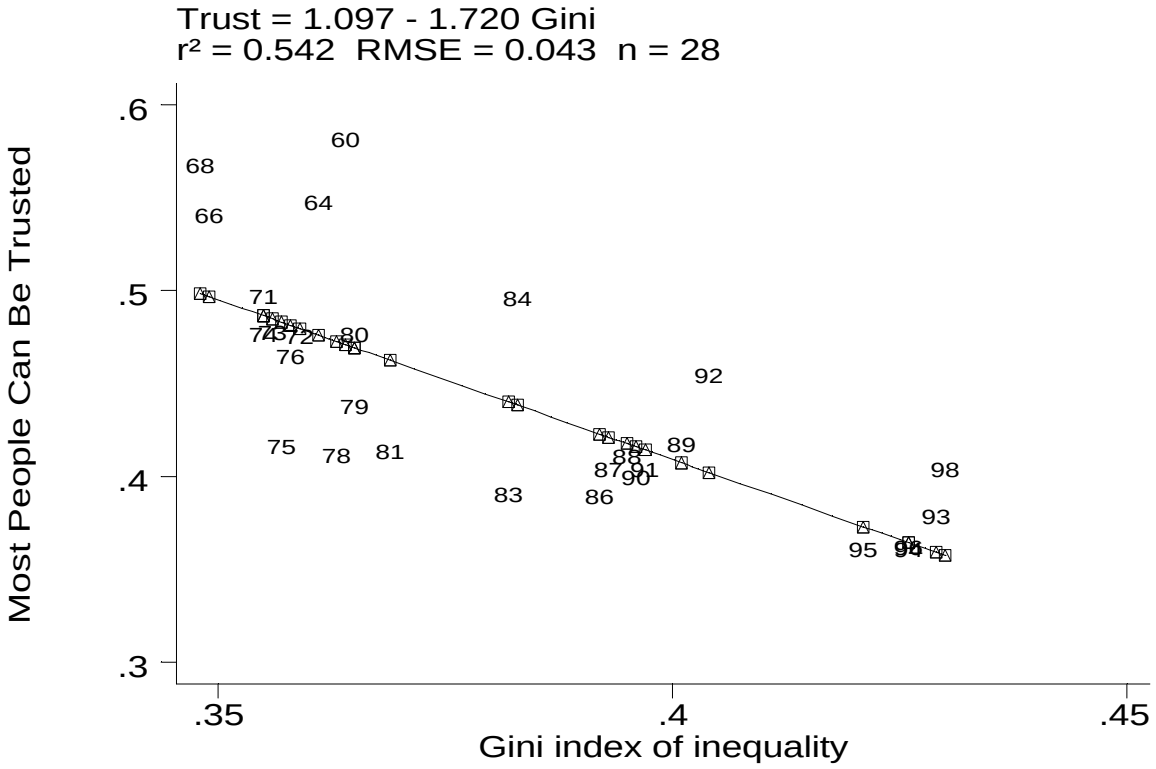
Expectations for Childrens' Lives and Economic Inequality, 1973-1995




$r^2$ with 1976 excluded = .811

FIGURE 6-6

Trends in Interpersonal Trust and Economic Inequality, 1960-1998



NOTES

1. This trust question does not offer the alternative "you can't be too careful in dealing with people," so the mass public findings from the 1983 General Social Survey are higher than we find for the standard question. The civil rights volunteer data come from the Dynamics of Idealism surveys conducted in by Michael T. Aiken, N.J. Demerath III, and Gerald Marwell in 1965, 1973, and 1982 at the Department of Sociology, University of Wisconsin, Madison, WI and available for downloading at http://dpls.dacc.wisc.edu/Idealism. See Demerath et al. (1971) for a more detailed analysis of these data. I looked for changes in civil rights' volunteers trust levels, but the skewed distributions, small samples, and moderately high rates of attrition across the panel make such inferences very hazardous. I am grateful to Megan Henly (and the Undergraduate Research Assistant Program at the University of Maryland) for putting the Dynamics of Idealism data set together for me.

2. See a similar argument by Putnam (2000, 359-360) based upon a cross-sectional examination of the American states.

3. Young adults with highly educated parents are 23 percent more likely to trust others than their cohorts with parents who have little education.

4. These findings parallel those in Chapter 4 for the Niemi-Jennings sample, though estimates using the same measures of in-group and out-group trust with ANES samples show much more powerful effects for in-group attitudes.

5. Young adults whose parents had regularly attended religious services in the 1960s were 15 percent more likely to become trusting adults. Belonging to a fundamentalist church worked the other way–and young adults who had been affiliated with such a church while in high school were 6 percent less likely to trust others.

6. The probit model in Table 6-1 correctly predicts 69 percent of the respondents (compared to 61.8 percent for a null model predicting that everyone would be a truster). This is a pretty solid result, virtually the same as the 1965 model for high school students using contemporaneous predictors.

7. The boundaries for the effects are -22.7 and 25.0.

8. The observation for 1980 is an outlier, since trust is higher than in proximate years. There is also an uptick in trust in 1976, 1984, and 1992–all Presidential years. I discuss this in Chapter 7.

9. I estimated some models for the Niemi-Jennings adult panel, but they were not terribly informative compared to the ANES panel. Similarly, there was nothing of note to report for changes in trust for 1965 to 1973 for the Niemi-Jennings child panel.

10. People who moved from distrust to trust were coded "1," while those moving in the opposite direction were coded as "0."

11. Once more a caveat is in order. The ANES and Niemi-Jennings panels can't help us determine what led to the decline in interpersonal trust. The Niemi-Jennings study showed no decrease in trust over time and the ANES panel actually had an increase in faith in

others. But they do give us some insight into the forces that led to changing patterns of trust in the 1970s and 1980s. These panels also lack good measures of optimism, so I may underestimate the role of expectations for the future when I analyze these samples.

12. The impact here is 10 percent in Table 6-2. There is also a significant and powerful effect for gender: Men became less trusting, although the reason why is unclear.

13. There was a modest shift toward greater in-group trust (.054), a small shift toward more support for civil rights leaders (a mean of 1.198 for an overall range of 145), and a slight shift (.165 on an eight-point scale) toward support for faster progress on civil rights.

14. The key effects are: .277 for out-group change, -.207 for in-group change, .223 for change in the military thermometer, and -.139 for opposing the war in Vietnam.

15. People who shifted the other way were not at all prone to become trusters (probability = .379).

16. Supporters of the war who became more pro-military had a .830 likelihood of becoming trusters, compared to a .478 probability for opponents who found the armed services more distasteful. The ANES panel shows some other, perhaps surprising, effects for other variables. Men had become more trusting from 1972 to 1974. Now they became less trusting than women. There is some evidence that religiosity and trust were becoming less compatible, perhaps because of growing fundamentalism. People who went to religious services less often from 1974 to 1976 became more trusting (effect = -.136), though barely ($p < .10$). And finally people who thought it was safe to walk the streets at night became more trusting.

17. A two-tailed test of significance might be more appropriate, but the coefficient would still be significant at $p < .10$.

18. In the 1972-74-76 ANES panel 52 percent of people born after 1945 opposed the war compared to 54 percent born earlier ( phi = -.037, Yule's Q = -.078, not significant).

19. The simple correlations over time (1974 to 1994) between trust and group membership are: -.272 for all associations, -.530 for secular organizations (excluding unions), -.288 for literary associations, and -.510 for professional groups. I estimated models that also included aggregate measures of education, service attendance, and overall confidence in government institutions (the means for the army, the legislature, the executive, and the judiciary). In simple regressions adjusting for serial correlation, neither trust nor confidence in government was significant in any of four regressions (overall group membership, membership in secular organizations excluding unions, joining professional associations, or membership in literary groups). For autoregressive integrated moving average (ARIMA) models with a single lag, trust in people had negative coefficients for all groups and secular organizations excluding unions (where confidence in governmental institutions was also negative and significant). Membership in professional associations and literary groups did not depend upon either type of trust.

20. The philosopher in question was Daniel Bennett. The institution was Brandeis University and the time was circa 1965-1966.

21. Putnam (1995b) missed the trend because he used five year rolling averages in his analysis–which meant that he would have picked up only a small portion of the shift in the

late 1980s. Brehm and Rahn (1997) used the entire GSS as a single sample. For the *entire* GSS sample (excluding 1996, which was not available when they did their analysis), the Early Boomers were less trusting than the pre-boomers (42.2 percent compared to 46.3 percent, $p < .0001$ either with or without the post-boomers in the analysis).

22. There is a smidgen of contrary evidence. Trust rose slightly in both the ANES and the GSS in 1998 (to 39.0 percent and 39.9 percent, respectively. In each survey, the Early Boomers were no longer the most trusting–the 1930s generation was. In the GSS, 51.4 percent of the 1930s generation were trusters, compared to 48.6 percent of boomers. In the ANES, 46.8 percent of the 1930s generation trusted others, compared to 48.1 percent for the Early Boomers (the most trusting cohort). I thank Robert Putnam (personal communication) for bringing the 1998 problem with the GSS to my attention. In the 1999 New York Times Millennium survey, Early Boomers were the *least* trusting cohort (at 36.1 percent), while post-boomers were the *most* trusting cohort (43.2 percent), a result not found elsewhere. The 2000 ANES Trust Pilot Study, with 51.9 percent trusters, once more had Early Boomers as the most trusting cohort (61.2 percent) compared to 51.1 percent for pre-boomers and 48.4 percent for post-boomers.

23. The correlation between the difference in trust between Early Boomers and the entire public and time is .848.

24. The correlations of trends in trust and time are -.739 for people born in the 1970s, -.827 for the 1920s generation, and -.681 for the 1930s cohort.

25. I end with 1996 because the 1998 data show irregular spikes upward for several cohorts

that seem atypical of the more general time trends since the 1980s. Before we conclude that these represent a new direction, we need additional time points.

26. I use the 1988 cut-off for the later period because that is the first year that the Early Boomers became the most trusting of all cohorts. The time series ends in 1994 rather than 1996 since the measures of optimism were not asked in the 1996 GSS.

27. See in particular, the increasing importance of college education, where the probit effect increases from .300 to .321 for pre-boomers, .212 to .373 for Early Boomers, and from .305 to .475 for post-boomers.

28. Of five measures of optimism and control, three increase over time for Early Boomers in Table 6-6, one decreases (confidence in the scientific community), and one remains about the same over time. For pre-boomers, three become weaker, one stays about the same, and one gets stronger (though less significant). For post-boomers, four of the five measures become weaker.

29. The probit effects are .285 for the tolerance factor score and .373 for education (see Table 6-7).

30. They are slightly less confident in science than post-Boomers, and substantially more likely to disagree that it is "unfair to bring a child into the world" than either cohort. But both of these results may reflect age effects. For the other measures of optimism, there are no cohort effects in the later period.

31. The mean tolerance factor scores (with positive values being more supportive of civil

liberties) are: -.336 and -.160 in the early and later periods for pre-boomers, .126 and .272 respectively for post-boomers, and .287 and .355 for Early Boomers. The difference between Early Boomers and post-Boomers in the later period is significant at $p < .008$.

32. I cannot say by how much since the GSS categories are rather crude.

33. The GSS has used the same 12 point scale since it first asked the income question in 1973. Back then 22 percent of Americans said that they earned $5000 or less, compared to less than 5 percent in 1996. In 1973 less than 7 percent of Americans earned $25,000 a year or more, compared to 63 percent in 1996. As incomes rise to the top category ($25,000 or more), the standard deviation will necessarily decline.

34. The Gini indices of family income come from the United States Department of Commerce (1998) Bureau of the Census (Report C-30), available at http://www.census.gov /hhes/ histinc/index.html.

35. This result comes from the GSS question on relative financial status (FINRELA). The average score on a five-point scale (with higher scores being more positive about how well you are doing) is 2.984 for Early Boomers from 1988 onward, 2.891 for pre-boomers, 2.847 for post-boomers, and 2.829 for people born in the 1960s.

36. This is the name of a popular television show in the United States during the 1980s and 1990s that focused on the high living of famous people.

37. The model for relative financial situation, estimated from the GSS for the 1988-96 period, also includes frequency of newspaper reading, income, high school and college education,

a dummy variable for being black, gender, whether people get ahead by luck or hard work, and whether people see the lot of the average person as getting worse. The coefficient for newspaper readership suggests that the more often people read newspapers, the better off they think they are. However, newspaper readership was not significant in any of the specific cohort estimations.

38. They watch 2.62 hours per day compared to 3.24 for older respondents and 2.85 for post-boomers.

39. The correlation with the lagged measure is -.723 ( $r^2$ = .535), with the contemporaneous measure -.624 ( $r^2$ = .389).

40. The simple correlation is -.840 ( $r^2$ = .705). The data on expectations for children's lives comes from the Roper Center and are reported in Ladd and Bowman (1998, 63). The observation for 1976 seems to be an outlier. Deleting it raises the $r^2$ to .811. In none of the other measures of optimism Ladd and Bowman report (1998, chs. 2-3) does 1976 appear exceptional, so it is possible that the "high" level of 31 percent optimistic in 1976 reflects measurement error.

41. There is no clear relationship between how well people think that they are doing and trends in the aggregate economy because the relative financial situation variable seems to have an implicit norm embedded in it. It doesn't vary much from one year to the next, so that some people think that they are doing well and others say that they are below average. The aggregate correlation between how well boomers think that they are doing and their mean income is .734. The correlation is -.770 for the standard deviation of

boomer income. Relative boomer financial status is also correlated with the overall inflation rate at -.573 and the national unemployment rate at -.414. It has no relationship with the change in the gross domestic product ( r = -.100). Because the income level has a strong upward trend and the standard deviation a powerful downward trend, I generated residuals from regressions of income and standard deviations on the consumer price index. The correlations with boomers' relative financial status are .483 and -.556, down considerably from the simple measures but still impressive.

42. The correlation between the Gini index and Boomers' satisfaction is .711. The correlations with the Gini index are .887 for boomer income and -.867 for the boomers' standard deviations of income ( r = .554 and -.561 for the residualized measures described in n. 20).

43. The correlations are -.401 and -.013, respectively.

44. The correlation of trust with economic growth is .349, with economic inequality, - .736 ($r^2$ = .542).

45. See the analyses by Brehm and Rahn (1997) and Alesina and LaFerrara (2000) that show powerful effects for state and community level (respectively) economic inequality on individuals' interpersonal trust.

46. I report results from an ordinary least squares (OLS) estimation. I also estimated a model using generalized least squares to correct for autocorrelation, but the autocorrelation coefficient rho was insignificant ( rho = .106, standard error = .169, t = 1.162, p < .256). I also estimated a first-order ARIMA model where the autocorrelation was significant (t =

6.479), but the t ratios differed only marginally from the OLS estimates. Because of the small sample size, I estimated the regressions 1000 times using the STATA 6.0 bootstrap command. The "bias" entries in Table 6-9 show what we might interpret as "confidence levels" of the regressions from bootstrapping. None of the bias coefficients are significant.

47. Ironically, interpersonal trust is more strongly correlated with the election year dummy ( r = .476) than trust in government ( r = .233).

48. I calculated this by multiplying the regression coefficient for the Gini index (-2.126) by its range (from .348 to .429) and dividing that figure by the range in trust (from .578 to .357).