

# *The Dual Effect of Economic Development on Trust in the Central Government: Evidence from Two Waves of a National Survey in China\**

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## *Abstract*

Using individual-level survey data while incorporating county/district-level information on per capita gross domestic product, this study finds that economic development in China has a dual effect on popular trust in the central government. First, positive individual-level perception of family economic conditions (compared to the past) increases trust in central government. Second, county/district-level per capita GDP is negatively correlated with individual-level trust in the central government. Methodologically, the article suggests that researchers may conduct contextualized thought experiment to establish logical priority of one event over another, particularly when it is impractical to empirically determine the temporal sequence of phenomena that are observed

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simultaneously in cross-sectional surveys. The article also suggests that China scholars may employ cross-region comparison as a substitute for longitudinal research when it comes to projecting long-term effects of quantitatively traceable changes such as economic development.

Three arguments exist regarding how economic development affects trust in government. Drawing on cross-sectional surveys, some researchers find that economic development has a positive effect on public confidence in government, primarily by enhancing citizens' satisfaction with the government's performance in promoting economic development and safeguarding equitable distribution.<sup>1</sup> The finding is reconfirmed by a sophisticated time series analysis.<sup>2</sup> Some cross-country studies, however, indicate that citizens of more developed countries tend to have weaker trust in government, presumably because economic development fosters postmaterialist values, which lead to critical assessment of government performance.<sup>3</sup> Taking a longer historical perspective, some researchers argue that economic development has an inverse U-shaped relationship with trust in government, enhancing it for a certain period of time but then weakening it by cultivating "critical citizens."<sup>4</sup>

A potential weakness of these studies is that they draw on either individual-level or national-level data, thus risking of committing individualistic or ecological fallacies.<sup>5</sup> More recent studies employ multilevel analysis to reduce the risk.<sup>6</sup> So far, however, micro and macro factors included in multilevel models are always of different kinds. The implicit assumption behind the practice is that a given factor must have a consistent effect at micro and macro levels. Factors such as economic development, however, can in theory have inconsistent effects on trust in government at individual and regional levels, particularly in large countries with considerable regional variations. Within a given region, economic development may strengthen trust in the national government by improving local residents' economic well-being. In the meantime, however, economic development in that locality may also bring forth changes that generally weaken trust in the national government. In other words, economic development may have inconsistent effects on trust in the national government at a given time.

China constitutes a good case for exploring whether economic development has inconsistent effects on trust in the central government at individual and regional levels. On one hand, the country has a unitary political system and widely shared cultural values; on the other hand, it