

## Chapter 12

# **SOCIO-CULTURAL VALUES, ECONOMIC DEVELOPMENT AND POLITICAL STABILITY AS CORRELATES OF TRUST IN THE EUROPEAN UNION\***

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## **ABSTRACT**

This paper provides a comparative empirical analysis of social values in Croatia, the European Union (EU), the countries joining in the first round, and a group of European countries outside the EU. Following up on the analysis of the data obtained in international research into European values carried out at the end of the 90's on national samples of most European countries, the authors have endeavoured to determine the differences in the spread of post-material values and the scope of social capital. The objective is to define where, in terms of social values, Croatia is currently located, and thus to sketch out its readiness or lack of readiness for joining the EU. In the second part, the paper offers a comparative analysis of factors that affect the level of public confidence in the EU.

*\* The authors took an equal part in the writing of this paper. We would like to thank the anonymous reviewer for comments and proposals that have removed at least some of the shortcomings.*

**Key words:**

socio-cultural values, post-materialism, social capital, transition costs, confidence in the European Union, Croatia

**INTRODUCTION**

According to figures from the Ministry for European Integration ([www.mei.hr](http://www.mei.hr)), most citizens of Croatia want to join the EU. Although in 2003 the percentage of those who think it is necessary to join the EU has fallen since 2000 (74% as against 78%), almost three quarters of the respondents still think that such a course of events would be positive. Is this entirely an assessment of personal gain, neglecting any possible effects of integration on the country as a whole? Figures show a logical link between the assessment of personal and national benefit from joining the EU. Thus, 66% expect a higher standard of living as a consequence, and as many as 75% expect general progress.

*The objective of this paper is to show how distant from or close to the EU Croatia is from the point of view of values.* We are interested in how much the values that we consider stimulating to development are widespread in Croatia as compared with the EU, or how much, to put it another way, the EU is different from us. The magnitude of this difference is important both for a country that wants to become a member (greater differences imply greater difficulties in adjustment to the EU system of standards) and for those who decide to take on the new members. An example of the latter point can be found in the muted voices that consider the values in Turkey, a Muslim country, impossible to harmonise with those of the European tradition.

In order to make the comparison, the distribution of values, or sets of values, is presented separately for three groups of countries: the EU members, the accession countries, and the countries that are not part of the EU. In the empirical analyses that follow, we start from the assumption that individual values that reflect social, political or economic dimensions can be concisely presented and analyzed (Štulhofer and Rimac, 2002; Fuchs and Klingemann, 2002). In order to do so, we use three theoretical models. The first of them, the theory of post-materialism, defines the change in global values as a shift from materialist to post-materialist values. The second model, the social capital theory, focuses on social cohesion, social trust and cooperativeness. Recent research (Inglehart, 1997; Putnam, 1993; Torsvik, 2000) has pointed to

a positive correlation between post-materialism and social capital on the one hand, and economic growth and political development on the other. The third model introduces some specific features of the process of post-communist transition (Štulhofer, 2000).

Since in this paper we also wish to sketch out the measures that could stimulate convergence in values, in the second part of the paper we analyse the structure of trust and confidence in the EU. In this part we identify the political, economic and social predictors of trust in the EU. In the next step, we use this analysis to outline a set of specific recommendations regarding Croatia's ambition to become a member of the EU.

## **THE THEORETICAL FRAMEWORK: THE THREE MODELS**

The importance of culture, of specific social values, of institutions and manners (tradition) for economic growth and political values is no longer controversial. This is best shown by the recently inaugurated development project of the World Bank called *Social Capital for Development* ([www.worldbank.org/poverty/scapital](http://www.worldbank.org/poverty/scapital)). However, the question of the empirical measurement of social values is more complex and controversial (Grix, 2001). In order to be able to avoid making conclusions on the basis of simple indicators such as the question: "Do you support democracy?", which avoids the issue of the different understandings of democracy and of conforming to social expectations, we base the analysis of the distribution of specific values on three theoretical constructs. Each of these is an interlinked set of political, economic and socio-cultural values.

### **Model of post-materialist change**

The model of social change proposed by the American political scientist Ronald Inglehart is one of the most theoretically elegant and empirically most investigated theories of globalisation (Abramson and Inglehart, 1995; Inglehart, 1997). The model starts off from the assumption that social development is no chaotic and accidental process, but is inextricably linked with a specific structure of values (Inglehart, 1995). Although the claim that socio-cultural values can be grouped into coherent sets, value orientations, is not new, the innova-

tiveness of Inglehart's model rests in the thesis that value orientations are both the cause and effect of economic and political development. In this way, there is a high degree of similarity between the developed countries, as well as between the less developed countries, but not between these two groups. Inglehart's assumptions, it can easily be seen, are based on the modernization theory and postulate linear development.

When he talks of value systems, Inglehart distinguishes three: traditional, modern and post-modern. The last two are global consequences of the industrial or the post-industrial revolution. As for the post-modern orientation, its beginning is usually placed in the 1960s when in the developed countries of the West the post-modern transition commenced; this was characterised by the spread of what were called post-materialist values. Table 1 presents in a condensed way the transformation of values described. At the micro level, the most recent changes are shown in the growth of the number of post-materialists, particularly in the younger generations (Abramson and Inglehart, 1995; Inglehart, 1997). At the same time, there is a decline in the popularity of materialist values, which were dominant in industrial societies.

*Table 1 Materialist and post-materialist value systems*

	Modern societies (domination of materialist values)	Post-modern societies (domination of post-materialist values)
Fundamental social goal	Economic growth and political stability	Development of human rights and liberties
Personal ends	Maximising utility; growth in purchasing power	Maximising individuality; development of personal identities
Central social authority	Rational and legal (laws)	Self-regulation

What is post-materialist development conditioned by? According to Inglehart, it is mainly the consequence of the growth of prosperity. The relationship between dominant social values and the level of social development shown primarily through standard of living Inglehart defines in terms of two linked hypotheses (Inglehart, 1995). The first of them, the *shortage hypothesis*, puts forward the idea that individual preferences are caused by the socio-economic situation. In conditions of shortage, motives concerning pure existence and survival prevail, and in conditions of abundance, those that transcend them. The *socialisation hypothesis*, on

the other hand, offers a mechanism of value internalisation, stressing the crucial importance of the process of early socialisation. Growing up in a stable environment, security and prosperity stimulates the internalisation and development of post-modern values. The rising importance of the post-materialist value orientation is seen in the new civil initiatives, in the growth of ecological sensitivity, in growing tolerance, multiculturalism and in cosmopolitanism, in the increasing emphasis on human rights and personal identities, the strengthening of the idea of self-regulation and the rejection of classical political ideologies.<sup>i</sup> Thus the expectation of the model is that support for the EU will reflect the spread of post-materialist, transnational values in the national population.<sup>ii</sup>

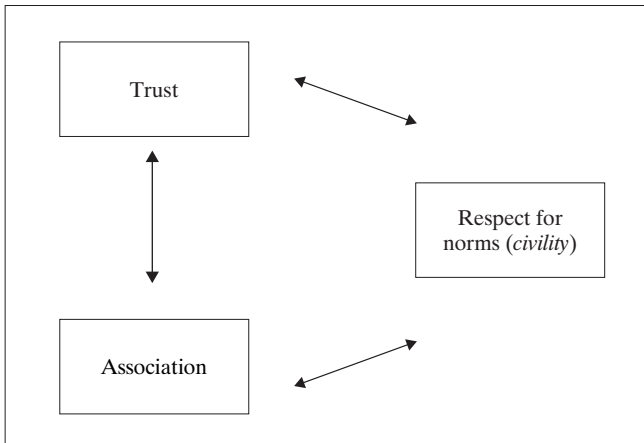
## **Social capital theory**

The idea of social capital is probably the most popular of all those that have emerged in the social sciences in the last ten years (Grix, 2001; Hospers and Van Lochem, 2002).<sup>iii</sup> The reason for this should be sought in the dissatisfaction with the predictive capacities of the classical theory of modernisation, according to which growth and development are predicated on universal and rational institutions. Against this postulate, a series of investigations have pointed to the mediating role of culture, which in some cases supports and in other cases thwarts or holds up development. Specific norms and collective habits can, behind the façade of formal institutions, make a mockery of market and democratic competition. An unpropitious cultural matrix results in chronic economic, political and social backwardness (Štulhofer, 2001:53-78). The first appears in inadequate growth, the second in prolonged political instability and undemocratic proceedings, and the last in general lack of trust, cynicism, opportunism and a high level of social pathology.

What is the general trait of a propitious cultural matrix? According to social capital theorists (Coleman, 1990; Putnam, 1993; Torsvik, 2000; Fukuyama, 2000), its features are mutual trust, generally accepted standards of cooperation and social networks or links between members of the community. According to the influential Putnam study (1993) of the development of Italy, the whole of these features – social capital<sup>iv</sup> – is the generator of economic development and political stability. Unlike the closed circle of underdevelopment, in societies/communities rich in social capital, a positive development loop is at work: cultural habits produce wealth that then in turn increases the social capital.

Empirically, social capital consists of three dimensions (Figure 1). The first of them, trust, denotes initial readiness to cooperate – and not only with members of the family or acquaintances (Fukuyama, 1995; Mistal, 1996). The second dimension, association/connectedness, and the related collective actions, make possible the direct experience of cooperation and its advantages, such as the fulfilment of interests that are beyond the scope of individual action. Social linkage or networking thus works as a school for trust and collaboration. The last dimension, respect for standards or civility,<sup>v</sup> is at the same time the result of the working of the first two dimensions and it is their support and buttress.

Figure 1 Structure of social capital



What kind of relation between social capital and trust in the EU does this model predict? Although the theoretical link is not yet clearly expressed, one should expect (as in the case of post-materialism) that social capital should have a positive effect on the way the EU is seen, both because of its encouragement of social and economic cooperation and because of the links related to the possibility of wider networking. But an alternative interpretation is also possible. If the process of European integration, and hence the institutions and practice of the EU, are seen as threats to established, local and national, networks (McLaren, 2002), social capital will be negatively correlated with trust in the EU.

## Situational reaction model

Neither the post-materialism nor the social capital theory takes into account the specific, transitional features of European post-communist societies. Within the universal postulates of the Inglehart theory, such socio-cultural specificities are of secondary importance and are responsible for short-lasting oscillations in the general trend of post-materialism (Inglehart, 1995). In the second model, socio-cultural traits are central, but only in a quantitative sense (Putnam, 1993). Countries can thus be distinguished according to quantity but not according to type (or quality) of social capital.

Considering that both models display a tendency to neglect the transitional reality of post-communism - a process of such great importance for the countries of C, S and SE Europe - we have decided to include a third explanatory model into our theoretical framework. Its role is to contribute to the interpretation of the structure of trust in the EU by taking into account socioeconomic costs of transition.

The situational reaction model (Štulhofer, 2000:149-177) assumes that in moments of major social changes, the perception and evaluation of the current economic political and social conditions will determine the dominant values. For example, observation of a large number of injustices, irregularities and abuses during the process of economic and political changes, and, in particular, the failure to penalise them, will result in widespread cynicism and opportunism. Starting out from the definition of post-communism as fundamental change in economic, political and social life, one accompanied by vast transitional costs (individual and collective), the model predicts that the perception of the EU will be considerably affected by the respondent's assessment of the course of the transitional processes to date. Since the citizens of countries that do not belong to the EU know as a rule very little about the EU institutions and their activities, their estimate of the EU will be a reflection of the effectiveness of the relevant domestic institutions (Anderson, 1998).

## METHODOLOGY

### Sample

In the analyses we use data collected in the third wave of the European Values Survey (EVS), a research project that started in 1980 with the aim of providing systematic monitoring of the value orientations

(concerning religion, morality, work, politics and society) of the citizens in European countries. The initial survey in 10 Western European countries in 1981 was extended in 1990 and, again, in 1999/2000 when it covered thirty-three countries. Thus the data collected in 1999/2000 are a good basis for the comparison of the values and standpoints of people in different European countries. In all the countries, a single questionnaire was used and rigorous procedures and checks were used to secure the equivalence of questions after translation. In each country a probabilistic sample of the over-18 population was polled, and all the samples consisted of at least 1,000 respondents. The Croatian part of the EVS was carried out by a research team led by J. Baloban of the Catholic Theology Faculty in Zagreb (Rimac and Črpić, 2000). Under the guidance of the University of Tilburg Research Centre (WORC, Tilburg University) and the Central Archive in Cologne, data were checked and aggregated enabling comparative analyses. In this paper we use the fourth revision of the 1999/2000 dataset.

## Instruments

The measure of post-materialism as opposed to materialism represents a standard recoding of the selection of preferred objectives of the country. The respondents were asked to choose two out of four items offered (keeping order in the state; giving more rights to people to go on record about important decisions of the government; fight against the rise in prices; protection of liberty of speech). Their task was to select the first and the second most important societal goal in their respective countries. If they chose the first and third goal, which correspond to materialism, then they were classified as materialists. If they chose two goals that suggest post-materialist viewpoints, they were classified as post-materialist, while respondents that chose one materialist and one post-materialist goal were placed in the mixed orientation group. In the regression analysis, a greater value of the index of post-materialism indicates a greater acceptance of post-materialist values.

*The opportunism index* is an average response value on two questions asking if it is acceptable to *evade tax if you have the chance and to receive bribes at work*. The correlation between the variables is moderate ( $r = .38$ ). Higher values on the scale indicate greater opportunism.

*The trust in the institutions of the country's political system index* is the arithmetical mean of answers on a scale of one to four, in which lower values denote complete trust, and higher values complete lack of



trust in the institutions evaluated. The following institutions were included in the index: church, army, education system, press, unions, police, parliament, civil service, social security, health care system and judiciary. The reliability of the index is satisfactory (Cronbach alpha = .83).

The *Social networking indicator*, that is, the indicator of the involvement of citizens in civil initiatives is a variable that measures the frequency of spending time with “people in clubs and voluntary organisations” (non-governmental sector). Respondents were given a scale with the following responses: not at all, a few times a year, once or twice a month, every week.

*Generalised trust* was measured by the following question: “In general, would you say that most people can be trusted or that you have to be cautious in your dealings with people?”

*Trust in norms* was measured indirectly, through respondent's perception of the respect for/violation of norms in his or her community. The logic of using this *perception of civility index* was as follows: the more others respect norms, the greater the motivation of the respondent to do the same. The likelihood that an actor will respect norms depends, substantially, on his or her perception of the relevant procedures of others. Such behavioural strategy is doubly rational – in a cost/benefit sense, as well as socially (maintaining one's reputation). The perception of civility index is the arithmetical mean of answers to ten questions about how widespread violation of norms is in respondent's place of residence.<sup>vi</sup> A scale with four points was used (almost all, many, some, almost no one). The reliability of the index is satisfactory (Cronbach alpha = .80).

*Satisfaction with the development of democracy* is measured by the question: “How satisfied are you with the development of democracy in our country?” As an indicator of satisfaction with the government we used the following question: “People have various opinions about the manner and system in which the country is governed. On the scale indicate your opinion about how things are.” Respondents were offered a 10-point scale, with 1 being very bad and 10 being very good.

GDP data were not an original part of the EVS, but were added subsequently in order to quantify the effect of national economy on respondents' attitudes and values.

## RESULTS I: SOCIO-CULTURAL DIFFERENCES

In this section we present the results of the statistical analyses of value orientations. The first part is a descriptive analysis of the spread

of the distinct value orientations, particularly of post-materialism and those related to social capital, in three groups of countries: EU members, accession countries and countries that are not members, including Croatia. We consider this discussion an important one, especially in the light of the future of the collective European identity that the idea of the EU idea postulates. A European people are not imaginable, as Prentoulis (2001:196) observes, as an outcome of common history or culture, but only as the product of “newly formed political values”.

*Figure 2 Comparison of percent of materialists, postmaterialists and mixed type persons in different countries (%)*

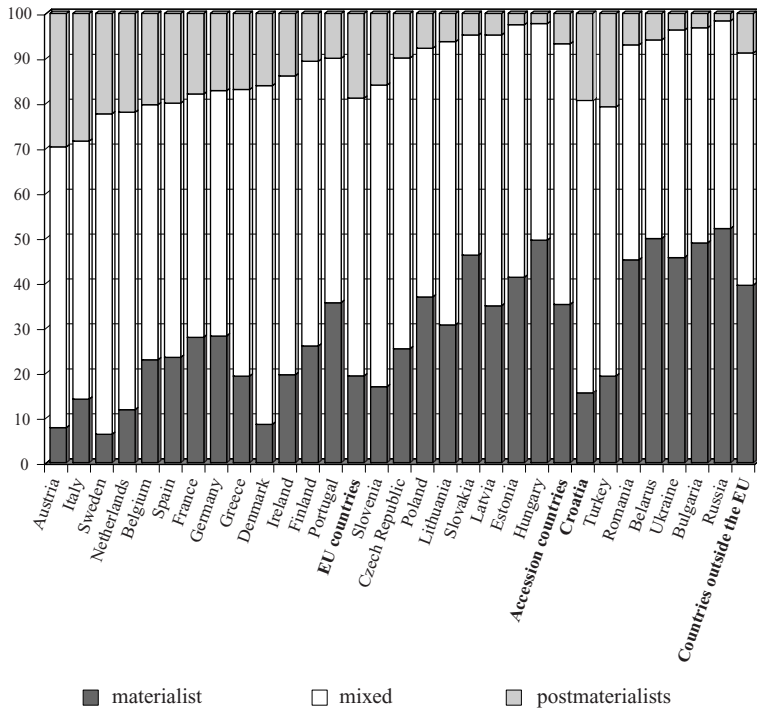


Figure 2 shows the distribution of post-material values. In line with the results of an earlier work (Inglehart and Baker, 2000), our data show considerable differences in the presence of post-materialism in the three groups of countries ( $F=1047.7$ ;  $p<.01$ ). According to expectations based on Inglehart’s assumption of the link between prosperity

and the abandonment of materialist values, post-materialism appears most often in EU countries, and most seldom in the group of non-EU countries. However, Croatia deviates markedly from the non-EU group average. It can easily be seen that the level of post-materialist values in Croatia is on a level with the EU average. The fact that the same is also true for Turkey and for Slovenia (in the accession group) suggests a combination of economic (standard of living) and non-economic (exposure to Western cultural influences) sources for post-materialism.

Figure 3 Generalized trust in different countries (%)

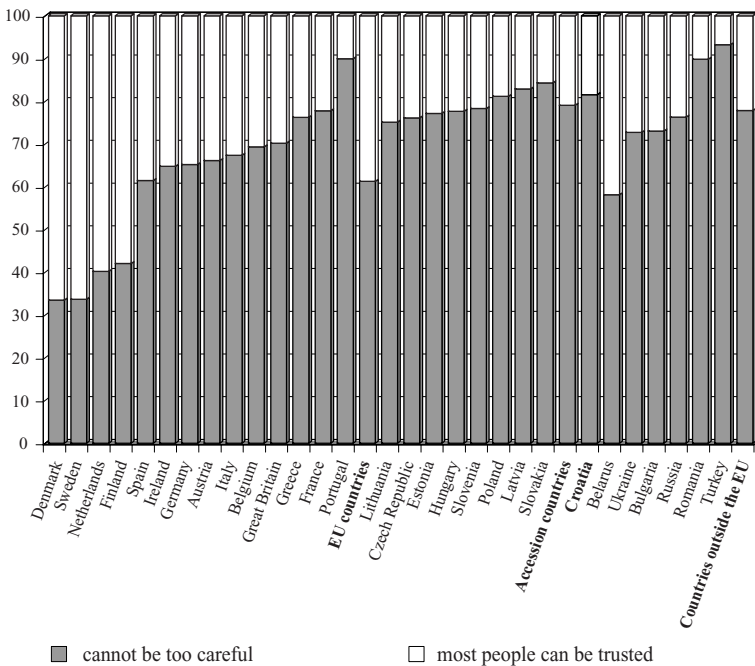
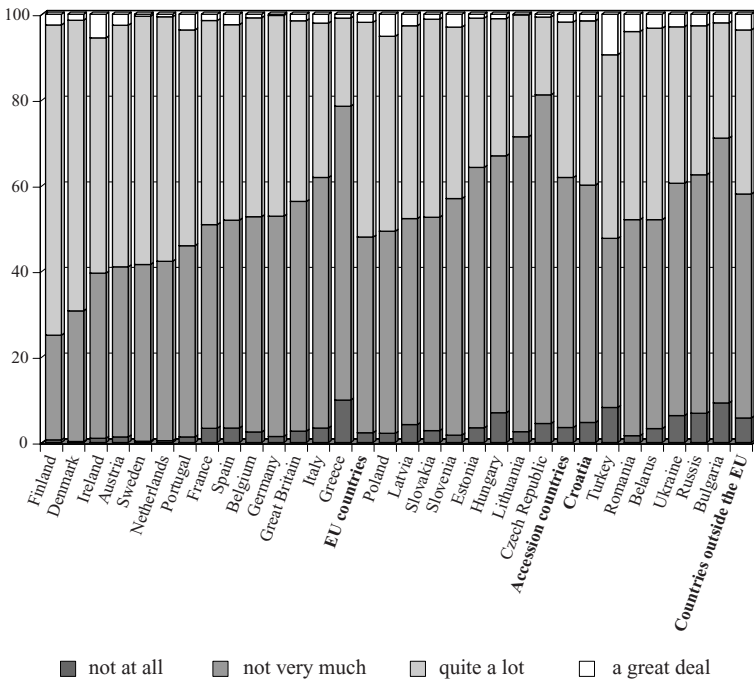


Figure 3 presents the first indicator of social trust, the first of the three dimensions of social capital. This is the so-called generalised trust, that is, the level of initial readiness to cooperate with unknown individuals. Analysis points out the different levels of generalised trust ( $F=570.01$ ,  $p<.01$ ). According to expectation, it is greatest in the EU countries, irrespective of the variations expressed inside the group. The highest levels of generalised trust are in the countries of northern

Europe (Denmark, Sweden, Holland and Finland), and the lowest in the Mediterranean part (Portugal, France and Greece). The difference in the level of trust between the EU accession countries and the countries outside the EU is not statistically significant. Although generalised trust is a dominant feature only in the countries of Northern Europe – which indicates that the differences should be perhaps conceived as differences in the levels of mistrust, rather than trust – one should point out that generalised trust in Croatia is twice as low as the EU average.

Figure 4 Comparison of trust in political institutions in different countries (%)



The second indicator of social trust is trust in institutions. Figure 4 shows the aggregate level of trust in 11 social institutions. As in the previous case, trust is most expressed in the EU countries followed by the non-EU countries ( $F=239.33$ ,  $p<.01$ ). As for this important segment of social stability, the level of trust in Croatia is the same as the mean for the accession countries. Among these countries, trust in institutions

is most widespread in Poland, Lithuania, Slovakia and Slovenia, which could be the consequence of economic growth (Poland, Lithuania), political and economic stability (Slovenia), and the abolition of authoritarian government in the case of Slovakia.

Figure 5 Trust in the reigning standards of society - the civility index (%)

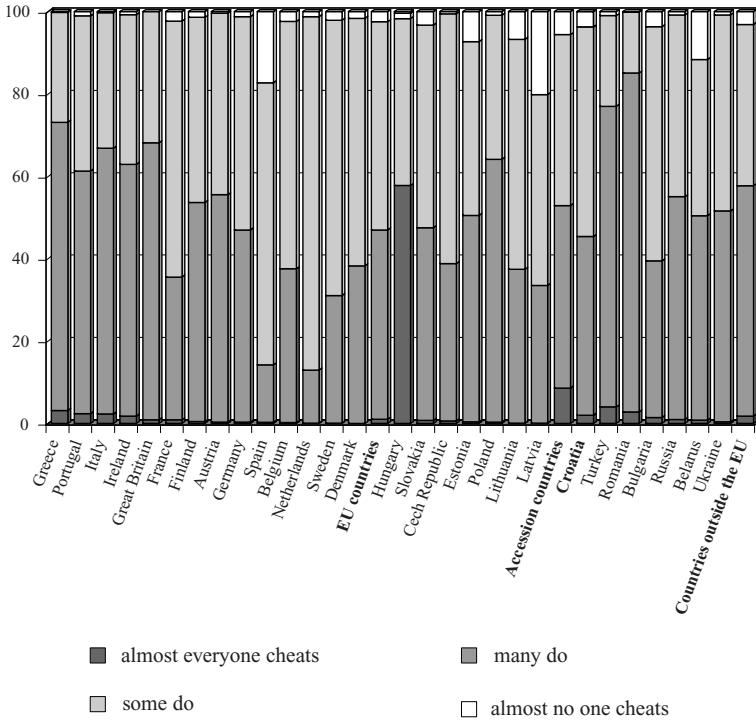


Figure 5 presents the last indicator of social trust: trust in social norms. As already explained, the perception of civility index that is used here does not measure trust in (and accordingly respect for) norms directly, but indirectly. It points to the likelihood that the respondent will respect the norms. The more widespread, in the respondent's opinion, the violation of norms, the less likely it is that s/he will trust the same norms. The basic assumption here is, of course, that the respondents are at least relatively rational, that is that their actions are not independent of experience and tactical (interactional) considerations. In

a milieu in which norms are not respected, legalistic behaviour is very expensive – both financially and in terms of reputation.

According to our results, perception of civility is most widespread again in EU countries, with the level being highest in Holland, Denmark and Sweden, and lowest in the Mediterranean zone (Greek, Italy, Portugal). The highest infringement of standards, that is the lowest level of civility, is perceived by respondents in the transition countries, equally in the accession countries and in the non-EU countries.<sup>vii</sup> If we consider the graph in more detail, the lack of difference between the accession countries and the countries outside the EU (both groups differ from the EU countries (EU / F = 96.2,  $p < .01$ ) is the consequence of the extremely widespread perception of the infringement of norms in Hungary. If we subtract this country from the analysis, the level of civility in the accession countries becomes statistically higher than that of the countries outside the EU. In this respect it should be stressed that the perception of civility in Croatia is somewhere between the average of the EU countries and the accession countries.

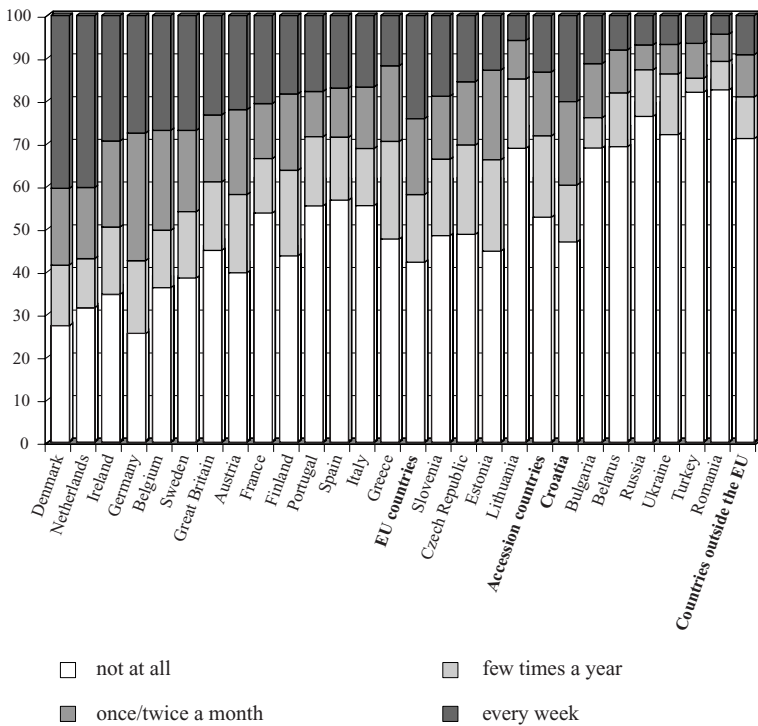
Along with trust and respect for norms, social connectedness (association) is the third key dimension of social capital. Instead of the standard way of measuring the density of social networks, which uses the percentage of respondents involved in voluntary organisations, we decided here on a different approach. Since the usual measurement is not sensitive to the different levels of members' activity (Putnam, 2000), we measured the level of association by the amount of free time that respondent spent in activities of the NGO of which s/he is a member (Figure 6).

All three groups of countries differ according to the level of social connectedness ( $F=834.63$ ,  $p < .01$ ). Bearing in mind that association is positively related to civil society, the expected order is expected: the density is greatest in the EU countries, and lowest in the non-EU countries. Considering the theoretical and empirical link between trust and social connectedness (Fuchs and Klingemann, 2002), this corroborates the findings on trust, and stresses the difficulties the development of civil society meets in countries with trust deficit (Mishler and Rose, 1997).

As in most of the previous analyses, Croatia shows an aberration here from the other countries in the non-EU group, too. The density of social connectedness in Croatia is greater than the average of the accession group. How is this to be explained? There are two possible reasons. According to the first, Croatia - like Slovenia and unlike the other post-

socialist countries surveyed - inherited some kind of foundation of civic organisation, thanks to the greater openness of the former Yugoslav regime. This enabled the more rapid development of the civil society sector. According to the second interpretation, the rapid development of civic associations is primarily the consequence of the war or, more precisely, of local and international humanitarian initiatives prompted by the war.

Figure 6 Free time spent in Non-Governmental Organizations in different countries (%)



The next two graphs present data related to the situational reaction model. Table 2 offers a comparative view of respondent's evaluation of democracy in his/her country. In Eastern European countries this is an indicator of the satisfaction with the basic outcome of the political transition. Consequently, one should be cautious in interpreting the differences between countries with a longer democratic tradition and those with rela-

tively little experience of democratic rule. It is possible that the threshold of sensitivity to mistakes and abuse in the democratic procedure is lower in the first group, simply because the citizens have become accustomed to high standards of political behaviour and general political stability.

*Table 2 Satisfaction with democracy in various countries (%)*

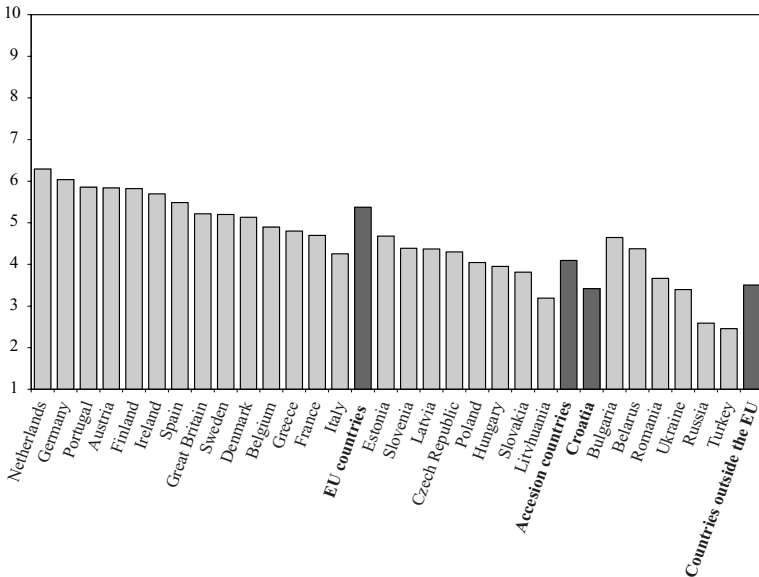
	Very satisfied	Satisfied	Not very satisfied	Dissatisfied
Denmark	12.3	54.7	30.0	3.0
Portugal	10.1	66.5	20.2	3.2
Germany	10.0	65.4	19.7	4.9
Ireland	9.9	53.6	30.0	6.4
Austria	7.8	69.2	20.2	2.8
Greece	7.5	47.8	35.8	9.0
Spain	6.6	53.9	33.3	6.2
Netherlands	6.4	67.4	24.2	2.0
UK	5.5	48.2	35.0	11.3
France	4.4	45.0	39.3	11.3
Finland	4.0	52.6	39.2	4.3
Sweden	2.9	57.0	34.4	5.7
Belgium	2.4	46.9	35.0	15.7
Italy	1.6	34.3	52.7	11.4
EU countries				
- average	6.5	54.5	32.1	6.9
Poland	2.0	43.2	41.6	13.1
Estonia	2.0	33.8	51.8	12.3
Hungary	1.8	29.6	56.2	12.5
Lithuania	1.6	23.9	52.5	22.0
Latvia	1.3	29.0	59.5	10.3
Slovenia	0.9	44.1	44.4	10.6
Slovakia	0.8	22.6	52.9	23.7
Czech Republic	0.7	36.5	49.7	13.0
Accession countries				
- average	1.4	32.8	51.1	14.7
Croatia	2.2	14.7	58.4	24.6
Belarus	5.8	27.1	39.2	27.8
Turkey	3.1	20.7	25.7	50.6
Bulgaria	2.9	24.5	49.8	22.7
Romania	1.7	19.2	52.2	26.9
Ukraine	1.4	14.2	48.5	35.8
Russia	0.4	6.7	42.9	50.0
Countries outside the EU- average	2.5	18.2	45.3	34.1



According to our results, there are significant differences in the assessment of the state of democracy between the three groups of countries ( $F = 3121.11$ ,  $p < .001$ ). Contrary to the "greater sensitivity" assumption, the greatest satisfaction is displayed by the EU respondents. Predictably, the least satisfied were respondents from non-EU countries where the evasion of democratic procedures is most frequent and most flagrant. Here, Croatia is closer to the non-EU average than to the average score of accession countries. It should be emphasized that Croatian data were collected in April 1999, eight months before the general elections characterized by the widespread dissatisfaction with the ruling party.

The next indicator, satisfaction with current government activities, is shown in Figure 7. As in the previous case, all three groups of countries differ significantly ( $F = 3064.62$ ,  $p < .01$ ). The level of satisfaction is highest in the EU countries, and lowest in the non-EU countries. Again, the average value for Croatia is lower than the mean value of the accession countries. Of all the countries included in the analysis, only in three countries (Lithuania, Russia and Turkey) the satisfaction is lower than in Croatia.

Figure 7 Average satisfaction with government performance in different countries (ten point scale)



Summing up the findings of the analyses carried out so far, it should be pointed out that in almost all the measured value dimensions significant differences among the three groups of countries exist. The differences co-exist with many overlaps, which are the consequence of the important cultural, historical and political within-group differences (Laitin, 2002).

Do our findings support an optimistic (Zielonka and Mair, 2002; Laitin, 2002) or a pessimistic (Fuchs and Klingemann, 2002; Rohrschneider, 2002) view of the outcome of the future enlargement of the EU? In our view, both positions are ideologically biased. The methodology on which all the relevant studies have been based, including ours, simply does not allow for a differentiation between quantitative (“difference in degree”) from qualitative (“incompatible”) differences.<sup>viii</sup>

Regarding post-materialism and social capital in Croatia, their levels are most often similar to those of the accession countries, that is, they differ considerably from the non-EU averages. But this does not hold true for the assessment of democracy and the government. The levels of satisfaction with the state of democracy and government activities in Croatia are substantially lower than those in the accession countries. To say that they are situational effects, a reflection of the widespread dissatisfaction with the way the transition processes were managed in the nineties, does not mean that they cannot have more lasting consequences - especially if dissatisfaction with the government becomes chronic. As Misler and Rose (1997:441) argue, an evaluation of the government is closely related to trust and explains the greater percentage of its variance than indicators of “cultural inertia” (socialist heritage).

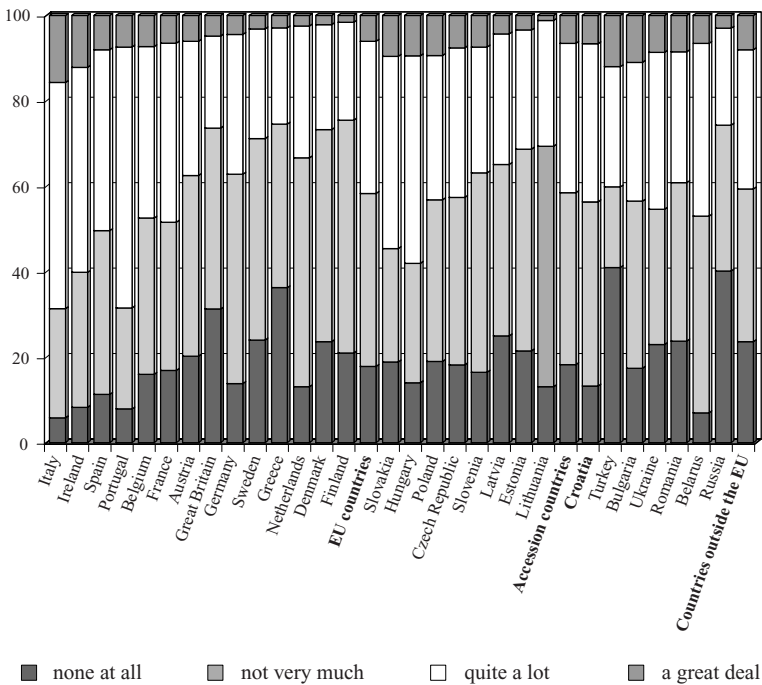
## **RESULTS II: TRUST IN THE EUROPEAN UNION**

In the second part of the paper we test trust in the EU, which we consider crucial for the debate about the dynamics and consequences of EU enlargement and the positioning of Croatia within this process. First we present the differences in trust in the EU, and then proceed with an interpretation based on an analysis of the factors affecting it.

The distribution of trust in the EU in the three groups of countries shown in Figure 8 indicates differences between the EU and the

accession countries on the one hand, and the non-EU countries on the other. Trust is highest in the member countries and then in the associate countries. The difference between these two groups does not attain statistical significance, but both differ from the non-EU countries ( $F=75.95, p<.01$ ). Trust in the EU is lowest in the countries outside the EU. What is the situation in Croatia? The figures are encouraging. The level of trust in the EU in Croatia is comparable to the average levels in the EU countries and the accession countries.

Figure 8 Confidence in the European Union in different countries (%)



The fact that the more successful transitional countries show a higher level of trust in the EU than the less successful seems to be based on the belief of the citizens that integration is a guarantee for the continuation of reforms which they view favourably. Using another database (*Central and Eastern European Eurobarometer*), Tucker et al., (2002) show that this holds at the national level too, that is within each

individual transitional country. As their analyses show, successful states (the winners) are characterized by greater trust in the EU than the unsuccessful (the losers). Transitional specifics of the dynamics of trust in the EU are emphasized in a research study (Alvarez, 2003) showing that union membership is negatively correlated to the trust in the EU in Western European countries, but is positively correlated to it in Eastern European countries.

How can one explain the differences in trust in the EU? To identify the factors affecting the trust, we included all the three explanatory models (the post-materialist changes, social capital and situational reaction models) in a regression equation, adding an additional indicator of situational reaction (opportunism index) and the measure of economic development (per capita GDP). The results of this multivariate analysis are shown in Table 3. Although because of the size of the overall sample (about 35,000 respondents) seven of the nine indicators reach the level of statistical significance set in advance ( $p < .01$ ), the most powerful predictor of trust in the EU is trust in the national institutions. This finding corroborates Anderson's thesis (1998), according to which citizens, when they do not have enough information about the EU, use an evaluation of local (national) institutions and government as proxy. The two indicators of situational reaction - satisfaction with democracy and the government - are less strong correlates, but they clearly indicate the impact of the post-communist transition on the way the EU is perceived.

Contrary to our expectations, the effect of the economic development indicator (GDP) on trust in the EU is rather small. How should this be interpreted? Setting aside the issue of how reliable an indicator of the state of economy the GDP is, it is possible that GDP has an indirect, rather than direct, influence expressed through non-economic or exogenous variables.<sup>ix</sup> The analysis of the cross-correlations points to the significant linkages between the degree of economic development and socio-cultural indicators.<sup>x</sup> To test this hypothesis fully an application of the modelling techniques will be required (Arminger and Clogg, 1995).<sup>xi</sup>

In a summary of the findings of the analysis of trust in the EU, it is important to stress two things. Firstly, trust in the EU is significantly greater in the set of successful transition countries. Countries still searching a way out of the transition-caused recession and anomie are markedly more distrustful of the EU. Secondly, our analysis indicates that socio-cultural dimensions are important predictors of the trust. Nevertheless, since a series of methodological restrictions rendered distinguishing between economic and non-economic effects impossible,

the domination of the latter in the regression analysis should be taken with caution.

*Table 3 Correlates of trust in the European Union*

	b	Beta
Generalised trust	.05*	.03*
Trust in institutions	.62*	.36*
Trust in norms (civility)	.04*	.03*
Association (social connectedness)	.01	.02
Satisfaction with democracy	.12*	.11*
Satisfaction with government	.03*	.08*
Opportunism	-.02*	-.03*
Post-materialism	.09*	.06*
Per capita GDP (1999)	.00*	.06*

\* $p < .01$ ;  $R^2 = .18$

Clearly, our results do not support Laitin's (2002:76) claim that the problems of integration of new members of the EU – if there will be any at all – will not be the consequences of “cultural differences”.<sup>xii</sup> Without discarding the possibility of political frictions, which are at the moment best described as the fear of the new members of being granted a second rate status (Zielonka and Mair, 2002), socio-cultural differences are real and under certain conditions could well be generators of conflict.

## CONCLUSIONS AND RECOMMENDATIONS

In the previous sections we have attempted to answer two questions: how far is Croatia, value-wise, from the EU, and what determines trust in the EU? The answer to the first question is that in most of the dimensions – with an exception of satisfaction with the government – Croatia seems to be similar to the 10 accession countries. When trust in the EU is considered, the crucial factor turned out to be the confidence of the respondents in the institutions of their own societies. Anderson (1998) offered an explanation of this finding: we make an assessment of institutions we do not have enough information or experience about according to an assessment of the work of comparable institutions about which we do have information. In other words, respondents, particularly those with lower levels of education, often judge transnational institutions on the basis of their perception of national institutions.

Both our answers indicate the importance of measures that would help increasing convergence in values with the EU. The point of such measures, of course, is not just to facilitate and speed up Croatian integration into the EU, but, primarily, to achieve a greater level of social trust, economic success and political stability. Although it may sound trivial, it should be emphasized that the desire for a value change must not be motivated by political correctness, or the need to present ourselves more favourably to those whose club we want to enter, but by efforts to improve the Croatian reality. The authors of this paper do not see the common EU Culture as a value in itself, rather something that has a potential of making the everyday life in the members' societies more pleasant and successful.

Six brief recommendations we present in conclusion are based on the previous analyses, as well as on authors' earlier research (Štulhofer, 2001; Štulhofer and Rimac, 2002). Their ordering, we should add, does not reflect their relative importance, nor does it rank the recommendations according to implementation priority.

*Fight against corruption.* The objective is to halt the spread of cynicism and opportunism, particularly among youth (Štulhofer and Rimac, 2002). In order to achieve this it is necessary to step up the work of the existing institutions (particularly the recently established office against corruption) and their presence in the media. Anti-corruption campaign must be systematic, meaning that it should start in one sector, and then move to others.

*Improving the openness and independence of the media, as well as their analytical scope and responsibility.* The objective is to facilitate a better understanding of social decisions and to improve, through public awareness and pressure, the process by which they are made. Higher quality media can help the growth of trust in institutions in two ways: by increasing trust in one's own work, and by increasing the quality of the political decision-making, which will result in an increase in trust the citizens place in the government.

*Increasing the effectiveness of the judiciary.* The objectives are to increase the trust of the citizens in institutions and particularly to increase generalised trust. As is well known, generalised trust cannot develop in a society in which it can be easily taken advantage of. If free riders are not effectively sanctioned, trust and spirit of cooperation will evaporate. At the moment, the duration of legal procedures in Croatia is pushing social trust to the edge of irrationality.

*Increasing public information about the EU.* The objective is to improve the *quality* of trust in the EU via better knowledge of its role

and activities, and greater use of its programmes and services. Although according to the data of the Ministry for European Integration more than 95% of citizens have heard of the EU, the knowledge of the Croatian public about the activities, structure and procedures of the EU is still very modest. The formal educational system in Croatia has to assume a central role in providing systematic information about the EU.

*Improving the educational level of the population.* The objectives are to increase value convergence and improve the capacity of the public to obtain and understand relevant information (\*\*\*, 2003a). In order to accomplish this, a fundamental reform of the educational system, at all levels, is necessary. Bearing in mind that Croatia is lagging behind the educational average of the EU (10% of college educated people, in comparison to the EU average of 17%, \*\*\*, 2003a:5; \*\*\*, 2003b:13), it is of particular importance to introduce fundamental changes in the system of higher education. The reform should increase the quality, innovativeness, and capacity of the system.

*Increasing the effectiveness of the government.* The objective is to increase the trust that citizens place in the state institutions - particularly in the government - through the increase in satisfaction with the efficiency of the decision-makers. In order to achieve this, a number of actions must be carried out with the task of:

- attaining greater professionalism in the public services, which, apart from setting up a cult of expertise and professional ethics, also requires an effective division of political from economic roles; where interests of the ruling party are above the public ones, professionalism is necessarily in short supply;
- creating greater transparency of the work in the ministries and other government offices and establishing a more timely and comprehensive dialogue between the decision-makers and the public;
- personalising responsibility for decisions made; faulty decisions and inadequate practices for which no one is liable remain the basic source of the lack of trust in institutions.

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*i* Inglehart recently demonstrated that the West and the East differ significantly in their levels of post-materialism (Inglehart and Baker, 2000).

*ii* For empirical confirmation cf. Deflem and Pampel (1996).

*iii* Here we leave aside numerous criticisms of the conception of social capital, particularly in the Putnam version, pointing out the theoretical lack of clarity and excessive scope, simplified empirical measuring, the neglect of negative forms of social capital (*mafia*) and so on (Grux, 2001; Woolcock, 1998; Hospers and Van Lochem, 2002).

- iv *Social capital can be defined as a set of cultural features that create and retain trust and cooperation in a given community (Stulhofer, 2001). Social capital is the characteristic of a community and hence is reflected in everyday interactions.*
- v *Our understanding of the category of civility is different from the one proposed by Billante and Saunders (2002). By civility they refer mainly to respect for other members of the community.*
- vi *The index includes the following violations of norms: use of social privileges to which one is not entitled, tax cheating, bribing to avoid paying taxes, use of narcotics, dumping trash in public areas, driving too fast, drinking and driving, public transport fare avoidance, lying for personal gain, and receiving bribe.*
- vii *A number of authors have referred to lack of trust in transition countries stressing the negative effects of widespread corruption (Rose-Ackerman, 2001; Mishler and Rose, 1997; Fuchs and Klingemann, 2002).*
- viii *Best illustrated by the empirically questionable attempt to argue for fundamental differences in the perception of democracy in the West and the East (Fuchs and Klingemann, 2002).*
- ix *In other words, this assumes a sequential influence of economic and non-economic factors on trust in the EU.*
- x *GDP is significantly correlated with generalised trust ( $r = .12$ ), trust in institutions ( $r = .12$ ), civility ( $r = .04$ ), social connectedness ( $r = .27$ ), post-material values ( $r = .21$ ) and satisfaction with democracy ( $r = .36$ ) and with the government ( $r = .37$ ).*
- xi *Another possibility is that the relationship between GDP and trust in the EU is curvilinear.*
- xii *Laitin's (2002) claim that a common culture already exists in Europe is based mainly on evidence about the convergence of pop-culture tastes in European countries. Laitin claims to find evidence of a common culture in the dominance of English, the preference for American films and a global pop music. Although at one place he points to the unpopularity of the European film, Laitin never for a moment thinks that the cultural novelties he notices might be described as Americanisation. In our opinion, the phenomenon he is describing indicates something completely different from what we should call a common European culture.*



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