

Trust, family, and education

Maurizio Pugno *

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Abstract

The capacity to enhance people’s general trust, which is proved to be important for economic growth and individual well-being, is usually attributed to the family and education. This paper first draws attention to two awkward facts: that placing a great deal of importance on family ties has detrimental effects on general trust (although it brings well-being); and that education tends to be designed to enhance competition rather than cooperation. The paper then proposes people’s ‘social skill’ as the target variable for research and policy, since it is both proximate to general trust and can be learned as an enjoyable experience, especially, but not only, in the first part of people’s lives. The family and education should be thus orientated according to this new specific perspective.

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* Department of Economics and Law
University of Cassino
Campus Folcara
03043 Cassino - Italy
m.pugno@unicas.it
tel.: +39 0776 2994702; fax: +39 0776 2994834
http://www.eng.docente.unicas.it/maurizio_pugno

1. Introduction

People's general trust is expected to contribute both to economic growth and to individual well-being because it facilitates economic action and social interaction. A great deal of empirical work has been done to measure general trust and to support this expected finding, and comforting results have been obtained. The origin of general trust thus becomes interesting; and the family and education, in particular, become the natural focus of research. However, the family does not seem to be always a good producer of general trust, and formal education, though performing better, seems inefficient, and in some cases even counterproductive. The underlying reason is that both the family and the educational system are usually designed to pursue aims other than forming people's general trust. This paper indicates another line of inquiry to find a more secure origin of general trust: the development of people's social skill. Economic research on how people's skills develop over their lives is still in its infancy, and it borrows heavily from psychology and related disciplines. The results are promising, however, and suggest that the family and education should be considered anew.

General trust is measured in surveys, like the World Values Survey (WVS) or the General Social Survey (GSS), by using the following type of question: "Generally speaking, would you say that most people can be trusted or that you can't be too careful in dealing with people?". This measure of general trust has proved to be a good predictor of economic growth (Dearmon & Grier 2009; Algan & Cahuc 2010; Tabellini 2010) and subjective well-being at the individual level (Helliwell et al. 2009; Bartolini et al. 2013). Unfortunately, it is not an accurate measure of general trust, because some authors find significant correlations between this measure and different specific facets of trust.¹ Nevertheless, it has been commonly recognised that the origin of general trust is "general knowledge about the population of agents, the incentives they face, and the upbringing they have received", which is an origin different "from repeated interpersonal interaction" as typical of "personalized trust" (Durlauf and Fafchamps 2005, p.1646; see also Soroka et al. 2006). Indeed, the generational transmission of general trust and the positive role of

¹ For example, Ben-Ner (2010) finds significant correlations with 'optimism' and with the view that others are not cheating. Albanese et al. (2013) find significant negative correlations with preference parameters, such as impatience and risk aversion. Sapienza et al. (2013) claim that the survey measure of trust captures mostly the belief-based component of a trust game, which is a behavioural measure of trust.

education in developing it have been widely ascertained (Algan & Cahuc 2010; Dohmen et al. 2012; Huang et al. 2009).

This paper, however, observes two problems with the familial and educational origin of general trust, at least when this is defined in the survey question. The first problem is the puzzling contrast between two effects due to the “excessive” importance placed by people on family ties. On the one hand, the effect on subjective well-being seems to be positive; on the other, the effect on general trust seems to be negative, although causality is not always proved (Helliwell & Wang 2011; Alesina & Giuliano 2010, 2011; Ermish & Gambetta 2010; Tabellini 2010). The underlying reason may be that the purpose of the family is to strengthen the ties among its members and to consume in competition with others, rather than forming ties with strangers and facing the uncertainty of cooperating with others.

The second problem concerns the efficiency of education in enhancing trust, as illustrated by the case of the USA, where formal education has increased substantially over recent decades while trust has declined (Aaronson et al. 2001; Robinson and Jackson 2001; Bartolini et al. 2013). The underlying reason may be that modern educational systems aim to serve the labour market by training students for competition, rather than for cooperation. Indeed, forming new ties and learning cooperation are usually side-effects of education both in the family and at schools, so that they may disappear under the pressure of the market through the expansion of competition from the economy to society. Therefore, simple reliance on the family and on education does not guarantee that general trust increases and spreads among people so as to have beneficial effects on the economy and on their well-being.

This paper suggests a way out of both problems: shifting the focus to the development of people’s social skills as an enjoyable activity. In this regard, two interesting lines of inquiry can be found in the economic literature: the research on the “technology of skill development” and early education, as undertaken by James Heckman and colleagues among others (e.g. Heckman 2008), and the research on individual well-being as the outcome of social relationships and social skills (Gui & Sugden 2005; Konow & Earley 2008; Becchetti et al. 2008). This new focus may inspire new priorities in policy interventions (e.g., Doyle et al. 2009; Layard and Dunn 2009; Pugno 2015).

The rest of the paper is organised as follows: Section 2 shows the puzzling role of the family when it damages people’s general trust even though it brings individual well-

being. Section 3 briefly discusses the efficiency of formal education in forming general trust. Section 4 focuses on ‘social skill’ to gain better understanding of the origin of general trust. Section 5 concludes the paper.

2. The puzzle of the “excessive” familism: negative effects on general trust, positive effects on well-being

The case of the family as an obstacle to general trust and economic growth was originally raised by Banfield (1958), who coined the efficacious term of ‘amoral familism’. On observing the community of a village in the South of Italy in the 1950s, he put forward the hypothesis that a social equilibrium may emerge within the relationships of the community, where people trust and care about the members of their family, distrust and lack concern about all the others, and expect that everybody behaves in the same way. This extreme focus on the family thus becomes ‘amoral’, because it excludes any interest in people external to the family. This hypothesis was resumed by Putnam’s (1993) study on Italy, in which he gave account of the North-South dualism, and put forward the alternative and desirable equilibrium where trust is generalised and reinforced by cooperative behaviours in social participation. These two social equilibria, according to Putnam, are thus characterised by poor or high ‘social capital’ respectively, where the latter would make democracy work and contribute to economic development.²

Banfield’s (1958) hypothesis of ‘amoral familism’ has been tested on a worldwide sample of individuals in the weaker form of correlations between family ties and general trust, and between family ties and some relevant economic indicators. For example, Alesina & Giuliano (2011) first construct an index for the strength of family ties on the basis of survey questions on the importance of the family, indisputable respect for parents, and parents’ complete dedication to their children. They then find a negative, significant, and sizeable correlation between this index and general trust, having controlled for socio-economic factors and for country dummies.³ They also find that this index is positively

² For an attempt to formalise these two types of equilibrium, see Antoci et al. (2008), and Pugno (2009).

³ In particular, they find that, besides family ties, income, education, and being male are the most important correlates of general trust. Other important social correlates seems to be social fragmentation and income inequality, but not crime, although family ties does not appear in these other estimates (Alesina and La Ferrara, 2002; Bjørnskov 2007).

and significantly correlated with trust in the family, the importance of obedience, and an index for the attitude of resistance to social change. The direction of causality from the strength of family ties to general trust is supported by applying the test to second-generation immigrants. This direction of causality has been confirmed more rigorously in an experimental setting by Ermish & Gambetta (2010). Although Ermish and Gambetta measured general trust by means of a trust game, rather than the usual survey question, they showed that an instrument for the frequency of visiting family members reduces general trust. They also showed that some conditions that foster or limit the exposure to social relationships, such as the need to care for family members or divorce, stand, respectively, in a positive or negative correlation with general trust.

To complete the test of Banfield's (1958) hypothesis, the link to the economy has been studied. Alesina & Giuliano (2010, 2013) and Alesina et al. (2010) used a measure for the strength of family ties very similar to that employed by Alesina & Giuliano (2011), and showed that this measure is negatively and significantly correlated with geographical mobility, participation in the labour market, wages, and per-capita GDP, and positively and significantly correlated with living at home with parents, support for market regulations, and perceived corruption. Tabellini (2010) first constructed a proxy at country level, called 'obedience', drawn from the questionnaire of the World Values Survey, which is the preferred quality, out of eight, that respondents thought that children should be encouraged to acquire at home. Tabellini then found that 'obedience' is negatively and significantly related to the per-capita GDP of the European regions. Conversely, he also found that general trust is positively and significantly related to GDP. Beugelsdijk and Smulders (2009) used the importance in people's lives of family, friends, and acquaintances for bonding ties, and found that this measure was negatively related to the economic growth of the European regions. Conversely, a measure of social participation such as the density of associational activity emerged as positively correlated with economic growth. Finally, Billari & Tabellini (2010) showed that the phenomenon of young adults living in the parental home was negatively and significantly related to economic growth in the European Union between 2001 and 2005. This phenomenon seems to have had substantial negative effects on earned income in Italy, where the proportion of males aged 18-33 living with their parents was 85%, while it was 35% in the USA towards the end of the 1990s (Manacorda & Moretti 2006). This effect seems to be due to

reduced participation in the labour market, less ability to learn on the job because of employment at a later age, and less independent-mindedness.

The family puzzle arises because, although attaching great importance to family ties causes general trust to deteriorate, it also appears to make people feel well. Indeed, Alesina & Giuliano (2010, 2013) find, for a worldwide sample of individuals, that the strength of family ties is positively correlated with both happiness and life satisfaction. Unexpectedly, the impact seems to be greater for life satisfaction, even though this has more cognitive content. Similarly, Pugno & Verme (2012) find that life satisfaction has positive and significant (partial) correlations with the importance of the family and with the indicator ‘obedience’, but also with general trust. Leung et al. (2011) find, for a sample of Canadian individuals, that while trust in the family is significantly and positively correlated with happiness, trust in neighbours is positively but not significantly correlated with happiness, and trust in strangers is even negatively but non-significantly correlated with it. Similarly, Growiec & Growiec (2014) find, for a sample of individuals of the Central and Eastern European countries, that the importance of the family has a greater impact on happiness than spending time with friends, colleagues, and engaging in other social religious activities. Manacorda & Moretti (2006) show that parents cohabiting with their young adult sons are happier than other parents in Italy, while they are less happy in the USA.

This evidence is especially puzzling as regards policy implications. Favouring the geographical mobility of labour, for example, may have a desirable effect and an undesirable effect. On the one hand, it will increase the efficiency of the economy by allocating work better; on the other hand, it will damage the closest family ties, with negative effects on the well-being of people (see Routledge & Amsberg 2003). General trust would be challenged in this case, with ambiguous consequences. Conversely, policies aimed at emphasizing the tradition of close family ties may be popular, but they may hamper economic development. In this case, general trust is expected to diminish.

3. Can formal education increase general trust?

The answer to the title question of this Section seems to be positive. In Helliwell and Wang’s (2011, p.53) words: “The [positive] link between social trust and education

[...] appears to be an almost universal finding in trust equations.”⁴ This statement refers to Helliwell & Putnam (2007), which is a cross-sectional study of US individuals. But the positive answer to the title question is also suggested by a meta-analysis of cross-sectional studies concerning different countries (Huang et al. 2009).

However, although this result appears robust on empirical grounds, it does not on theoretical ones. People usually choose to allocate costly resources to education in order to earn more income in the future, thanks to the rise in productivity (Restuccia & Vandenbroucke 2012), while changes in general trust are side-effects. Specifically, these are internal effects in the case of people’s own trust, and external effects when changes regard others’ trust. Internal effects are expected to be positive because the individuals learn information and evaluation skills. External effects are instead expected to be ambiguous because the positive effects due to learning from others coexist with the negative effects due to the concern for educational status. If the external effects are negative and offset the internal effects, then education has negative net effects on the general trust of the community (Nie et al. 1996). Therefore, since developing general trust is not the aim of education, the positive link is not warranted, as the possibility of opposite side-effects makes clear.

Helliwell & Putnam’s (2007) evidence is comforting because it shows a positive link of individuals’ trust not only with their education but also with the education of their geographical neighbours. However, Huang et al.’s (2009) evidence is less comforting. In fact, it shows that the external effects are negative and not significant, and that the internal effect is significantly reduced for surveys subsequent to the 1990s.

The USA is a special case in this regard, because general trust in that country has declined in the most recent decades, while the educational level has greatly increased (Aaronson et al. 2001; Robinson and Jackson 2001; Bartolini et al. 2013). According to Helliwell & Putnam (2007), this remains a puzzle, which is further reinforced by their evidence.

An attempt to solve the puzzle of the decline of general trust in the USA has been made by studying the possible deleterious effects of the diffusion of television and other media. In fact, these media over-represent crime rates and other social risks, thus damaging general trust. Helliwell & Putnam (2007) find some evidence supporting this

⁴ They further add that this link: “provide[s] one of the strongest pieces of evidence for positive external effects of increasing education levels.” For comments on this statement, see below.

hypothesis by focusing on the generation of people who began to be most exposed to television, and who thus report themselves as less trusting of others. Also Huang et al. (2009), who perform a meta-analysis on different countries, find some evidence on the negative relation between the use of media and general trust.⁵ It emerges from this evidence, that education has not been able to teach people how to make proper use of information regarding their social lives, thus confirming that the social effect of education is weakened.

Another source of caution in positively answering the title question of this Section concerns causality, for which the evidence is not comforting. In fact, both Helliwell & Putnam (2007) and Huang et al. (2009) perform correlational analysis, while the title question is causal. Heckman et al. (2011) study the causal effects of schooling for a longitudinal sample of people aged between 14 and 30 years old. They find that the effect of an individual's education on her/his trust is not significant.

Finally, the title question could be turned into its opposite, i.e. whether education deteriorates general trust, if the important case of education in economics is considered. Indeed, Frank et al. (1993) argue, on the basis of a survey of the literature and on their own experiments, that students of economics, with respect to other students, behave less cooperatively and expect that others do the same. These authors also find that students exhibit more cooperation by moving towards graduation at a slower rate if they study economics. However, these findings are affected by the problem of self-selection, which Wang et al. (2011) attempted to circumvent by asking non-economics students to read a text on economic self-interest before the experiments were run. The conclusions were similar, and can be even extended because cooperation appears to be malleable. Education in economics may be a special case, but it is an important one because the individualistic principles of economics are becoming popular also in other disciplines and fields.

Therefore, education emerges as a powerful means to encourage general trust, but it also appears to be improperly used.

4. Enhancing both trust and well-being through social skill

⁵ For a causal analysis see Frey et al. (2007) and Olken (2009).

The family as measured by the strength of its internal ties, and education as measured by the years of enrolment at schools and universities, are not robust and efficient determinants of general trust, at least as it is defined in the more common surveys questions. This is also expected to be so in the future, because family ties bring much well-being to the family members, and formal education brings more income, while the changes of general trust are instead side-effects. These facts raise a problem because failing to maximise general trust may result in lower economic growth and, eventually, less well-being. Therefore, family ties and formal education are not the right variables to be considered and possibly used by policy makers.

People's 'social skill' is a preferable variable because 'social skill' and general trust are joint products of healthy human development, which thus also guarantees well-being. 'Social skill' may become the key variable of an approach that aids understanding of both the puzzle of Section 2 and the question of Section 3. This approach is based on psychology, and in particular on developmental psychology, but also on some related recent works in economics, such as the research conducted by James Heckman and co-authors, and some studies in the 'economics of happiness' (Frey and Stutzer 2002, 2013; Bruni and Porta 2005).⁶

'Social skill' can be first defined according to the measures used in social psychology of education, which include cooperation, assertion, self-control, empathy, and responsibility (Demaray et al. 1995). For a theory-laden definition of 'social skill', the 'attachment approach' of John Bowlby (1969) can be cited. According to this theory – the individual relates with others according to a mental representation of this relationship, called the 'internal working model', which originates during infancy when the attachment to caregivers takes place. 'Secure attachment' arises when the infant forms an internal working model of successful proximity-seeking attempts and security attainment, so that s/he feels secure in exploring the outside world, and in relating with unknown others. In adults, 'secure attachment' can be measured by a composite variable that provides a general definition of 'social skill' because it includes the following: ease in approaching others, feeling of comfort when being approached by others, and a lack of worry if dependent on them, or if being abandoned by them (Mikulincer & Shaver 2010, p.27).

⁶ The recent developments of Sen's 'capability approach' that focused on 'agency' should also be mentioned (Alkire 2008; Pugno 2014).

Therefore, the ‘attachment approach’ predicts that the development of social skill is a process unitary with the development of individual autonomy, both of which provide a solid grounding for well-being (Simpson 2007; Ryan et al. 2008). In particular, social skill combined with autonomy makes the individual able to overcome adverse shocks, i.e. makes her/him ‘resilient’ (Luthar 2006). This is important for giving substance to the definition of general trust. In fact, general trust, as the expectation of cooperative behaviour from others, implies the unfortunate possibility that others may defect, either intentionally or because of an inability to deal with unexpected changed conditions. Resilience thus helps the individual not to overvalue this possibility, and to be trustful.

The social skill approach evidences how the strength of family ties and the years of formal education are poor variables for studying general trust. Both variables should be better qualified.

An interesting way to qualify family ties has been suggested by the influential developmental psychologist Baumrind (1978), who proposed three distinct parenting styles: authoritative, authoritarian, and permissive.⁷ Authoritative parents are warm and responsive to their children, provide affection and support for their explorations and autonomy, and maintain high expectations concerning their achievements. Authoritarian parents are neither warm nor responsive to their children; nevertheless they maintain high expectations in their children by requiring obedience and exerting control. Permissive parents are changeable in their responsiveness to their children’s needs; however, they are lax in their expectations concerning their children’s achievements and tolerate their misbehaviours.

The variable ‘obedience’ constructed by Tabellini (2010) to indicate the strength of family ties (see Section 2) seems to capture the authoritarian quality of parenting. The authoritative style seems also to be captured by Tabellini (2010) with the variable ‘independence’ as the preferred quality that children should be encouraged to acquire at home. The contrast between the two parenting styles can thus be supported by the finding that ‘independence’ is negatively correlated with ‘obedience’. In this way, some indirect and tentative evidence emerges that authoritative parenting is good and authoritarian parenting bad for children’s general trust.

⁷ This distinction has recently been used also in economics in order to analyse familial education (Doepke & Zilibotti 2014; Cosconati 2009).

The outcomes of the two parenting styles appear opposite to each other as well. The authoritative style seems to make children better off in well-being, self-esteem, and relationships with others relatively to both the authoritarian and the permissive style (Chan et al. 2011; see also Roth et al. 2009). Furthermore, Tabellini (2010) finds that 'independence' is positively related to GDP, while 'obedience' is negatively related to it.

Common to the authoritative and authoritarian styles is greater attention paid by parents to their children, but the two styles have opposite underlying ideas on the social skills of children. The authoritative style rests on the idea that children are active in pursuing stimulations, including social ones, and enjoy them if properly offered by parents. Their social predisposition can thus develop as a social skill. Instead, the authoritarian style rests on the idea that children are passive, and that parents should shape their skills by inculcating norms and rules (Landry et al. 2008).

The predisposition of children to develop social skill has been demonstrated by a large body of evidence, so that the authoritarian parenting style would be a dangerous intrusion. Harbaugh et al. (2003) find that 8-year-old children already exhibit trust and trustworthiness in a trust game. Similarly, children exhibit cooperative behaviours in the public good game (Harbaugh & Krause 2000) and dictator game (Harbaugh et al. 2001),⁸ although to a less pronounced extent than adults. Trustworthiness in the form of spontaneous cooperative behaviour can also be found in children at even earlier ages. For example, Warneken & Tomasello (2013) conducted an experiment in which 2-year-old children had the opportunity to help an unfamiliar adult to obtain an out-of-reach object. The experimenters observed that the children gave their help both when the accompanying parent was present and when s/he was absent from the room, even if the children had to disengage from a 'fun activity' to help. Kanakogi et al. (2013) conducted an experiment in which 10-month-old children viewed an aggressive social interaction between a victim and an aggressor, both of which were represented by animated objects like triangles and circles on a computer screen. The experimenters observed that infants exhibited a preference for the victim relatively to a neutral object, and avoided the aggressor. The infants thus revealed an ability to clearly identify social patterns in interpersonal relationships even if the individuals were in the form of symbols, and to take part by avoiding uncooperative behaviours in others. From experiments of this type, including

⁸ By contrast, chimpanzees are rational maximizers in the ultimatum game (Jensen et al. 2007).

other experiments in which also non-human individuals were involved, Tomasello (2009) concluded that humans are unique in that they build from experience at a very early age cognitive representations of social relationships as governed by norms, where cooperation is spontaneous and intrinsically motivated.

Social skill can thus be conceived as a component of the set of skills which are more or less variable over time, and which characterise individual personality. Heckman and co-authors use this idea very extensively in their study on the technology of skill formation. In fact, they consider both cognitive skills, like intelligence as measured by IQ, and non-cognitive skills, which in their turn include social skill. They also show that these skills are rather variable over people's lives (Cunha & Heckman 2007). In particular, social skill seems to develop until mature age when proxied by the facet called 'social vitality' of the personality trait Extraversion (Borghans et al. 2008). Furthermore, Heckman and co-authors are able to provide evidence on the influence of the social skill that individuals have acquired in the past on their subsequent social behaviour. For example, if social skill is proxied by the tendency "to lie or to cheat", "to steal", "to play truant" during childhood, the person seems significantly more likely to experience incarceration during adulthood, while cognitive skills do not seem to have such important effects (Heckman et al. 2012).

Individuals' social skill is thus a stock which can be changed through experience and investments, especially those offered by parents, and which produces general trust. The development of a satisfying social life is regarded by psychologists, and recently also by economists, as a good predictor of individual well-being. Deci and Ryan (2000) claim that human development is psychologically healthy if individual autonomy is effectively pursued in connection with satisfying relatedness (Pugno 2008). Studies in happiness economics have shown that voluntary work, which is an intrinsically motivated social activity, is linked to both education and general trust, and able to provide happiness or life satisfaction (Meier & Stutzer 2008; Binder & Freytag 2013; see also Becchetti et al. 2013). A more comprehensive concept of individual well-being has been proposed by Ryff and Singer (2008). It is termed Psychological Well-Being (PWB), which includes 'autonomy', 'positive relationships', 'personal growth', and it has been found to be strictly linked with observed physical health. The economists Konow & Earley (2008) and Koch (2013) have used the concept of PWB in order to obtain, by using controlled experiments, two results that indirectly support our social skill approach. First, PWB seems to cause

trustful and cooperative behaviours, which also make people happier. Second, non-trusters and free-riders experience a reduction of happiness.

Individuals' autonomy has also been captured by the variable 'locus of control' of their actions. The psychologist Rotter (1966), who proposed this new variable, distinguished individuals between those who attribute the outcomes of their actions to internal factors such as their own efforts and skills, and those who tend to attribute the outcome of their own actions to external factors such as fate. By using the German Socio-Economic Panel, the economists Albanese et al. (2013) find that individuals' 'locus of control' is a positive, significant and sizeable correlate with their general trust by also controlling for their personal traits (see also Helliwell 2011). Using the World Values Survey, Verme (2009) clearly shows that individuals' 'locus of control', as captured by the survey question "how much freedom of choice and control do you feel you have over the way your life turns out," is a positive, very significant and sizeable correlate with life satisfaction.

Therefore, as observed in Section 2, the strength of family ties does not guarantee the spread of general trust; rather, it seems to have the contrary effect if excessive, despite being associated with more well-being. However, as this Section shows, qualifying family ties by distinguishing parenting styles reveals that the authoritarian style seems to induce less well-being and more anti-social behaviours in children than does the authoritative style. Rearing children to obedience may make them good citizens, i.e. trustworthy in specific predictable behaviours as prescribed by norms, provided that the economic conditions are not as miserable as those studied by Banfield (1958).⁹ But it is harder to teach general trust, because this implies the possibility that others may defect because they are unable to maintain the promise of cooperation in the case of unexpected changed conditions. In other words, it is harder to teach resilience, which, by contrast, children would spontaneously develop if supported in their autonomy and trained in their social skill.

This approach to the development of general trust, especially within the family, needs ample research to be confirmed, but the pieces of evidence reported in this paper, including psychological evidence, are encouraging. More research is in particular needed to better identify two paths to well-being: from strong family ties to well-being despite

⁹ In fact, Ljunge (2013) finds that family ties are closely and negatively linked to opportunistic behaviours, like cheating on taxes, using public transport without ticket, or dropping litter in a public place.

reduced general trust; and from people's social skill and autonomy to well-being, which would also bring them to more general trust.¹⁰

Formal education, as in the case of family ties, should be qualified so that its contribution to general trust can be better studied. Students are motivated to receive education so that they can increase their knowledge and competence for the final aim of being competitive on the labour market. This motivation is extrinsic, and passing tests and examinations may work as intermediate incentives.¹¹ Students usually also learn norms and rules which help them to gain better understanding of the specific conditions where trust and trustworthiness apply. However, becoming generally trustful persons requires them to have an intrinsic motivation, i.e. they should endorse this quality and defend it for their own reputation as socially skilled. Are schools and universities the right places to stimulate intrinsic motivation to learn social skill and trust?

Unfortunately, a thorough study on this question is lacking. A step forward has been taken by the PISA survey, which observed 15-year-old students' engagement in school. It emerged that, on average across OECD countries in 2000, almost half of the students "feel bored at school", and almost a third said that "school is a place where they do not want to go" (OECD 2002, p.330). In the USA the proportions rose to 61% and 35% respectively. The lack of intrinsic motivations even to go to school is worrying, but large variations across countries suggest that there may be best practices in schools.

A very informative economic study in this regard is Algan et al. (2013). On the basis of two data-sets including OECD and some East European countries,¹² they identify two main teaching practices, called 'vertical' and 'horizontal'. "Teaching lectures" and "copying notes from the board during lessons" are taken as proxies for 'vertical' teaching practice; "working together in groups in class on projects" is taken as a proxy for 'horizontal' teaching practice. On a country basis, the 'vertical' teaching practice is a negative, significant, and sizeable correlate of general trust, while the 'horizontal' teaching

¹⁰ The hypothesis of these two paths emerges from Verme (2009, table 3). He shows that people who are married, and regard religion and 'obedience' as important also enjoy more life satisfaction, but have less control over their lives, while people who are not married and regard religion as unimportant and 'independence' as important enjoy less life satisfaction, but have more control over their lives, which is nevertheless strongly associated with life satisfaction.

¹¹ On the importance of motivation, whether intrinsic or strategic, for the outcomes, see Bruni et al. (2009).

¹² These datasets are the 1999 Civic Education Study and the 1995 Trends in International Mathematics and Science Study.

practice is a positive, significant, and sizeable correlate. The estimate has been controlled for income per capita, expenditure on education, and average years of education. On an individual basis, a similar result emerges for cooperative beliefs and behaviours. Education can thus be effectively qualified to study its contribution to general trust in a way better than using the simple number of enrolment years. Distinguishing between teaching practices takes a step forward to identifying the role of intrinsic motivations and, behind it, of social skill.

5. Conclusions

This paper has shown that increasing people's general trust, which is so important for economic growth and individual well-being, is not a trivial issue. It is tempting to see the family and formal education as the natural places where general trust develops. However, this paper has drawn attention to the fact that both the family and formal education have different aims, while general trust may be possibly enhanced only as a side-effect.

A body of empirical studies has been cited in support of this claim. In particular, it seems that placing "excessive" importance on family ties has detrimental effects on general trust, while, at the same time, it has positive effects on the well-being of the family members. This fact poses a puzzle as well as a policy dilemma, because general trust and individual well-being seem not to go together. Other studies have found that education may be designed to enhance competition more than cooperation, and that there is ample room for improving efficiency in producing general trust.

This paper has proposed people's 'social skill' as the target variable for research and policy. It is proximate to general trust and can be learned as an enjoyable experience especially, but not only, in the first part of people's lives. If the family and formal education are encouraged to develop 'social skill', then both general trust and individual well-being are expected to emerge. A variety of studies, not only in economics but also in psychology and related disciplines, report results supporting this claim, thus marking out a line of inquiry to furnish it with a more solid empirical grounding.

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