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Trust, trust attitudes and group participation in rural development activities

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Trust, Trust Attitudes and Group Participation in Rural Development Activities

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Introduction

Groups are formed and encouraged by development projects to promote interventions and to disseminate information. When this strategy is used questions arise on whether more trusting or trustworthy individuals self-select into forming these groups or if frequent interaction among group participants leads to higher levels of trust and cooperation.

Objectives

We use **survey questions** and **lab-based experimental trust game** to investigate whether farmers involved in **group-based interventions** promoted by a rural development project in **Nicaragua**, "Agriculture for Basic Needs" (A4N), reveal different levels of trust than farmers who were not exposed to the A4N group interventions.

Agriculture for basic needs

Producer groups formed to promote conservation agricultural technologies.

Saving and lending groups formed to promote saving and lending practices

Methodology and data

Stated trust (survey questions)

Survey respondents were ask about their level of agreement with the following statements:

WVS trust: Generally speaking, do you consider that most people can be trusted, or that you cannot be too careful in dealing with people.

Village trust: People in your village trust most people in your village.

Revealed trust (trust game)

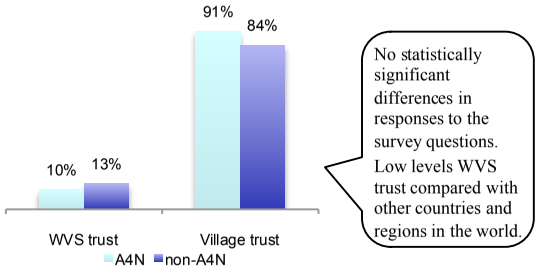
A version of the trust game developed by Berg, Dickhaut and McCabe (1995). It is a one-shot game, with no communication where all participants remain anonymous in that they do not know whom they are playing with.

Data

A total of **eight sessions** – one session in each village – were conducted during May of 2012 with between 17 and 22 farmers participating in each session, for a total of **153 participants**. Farmer-participants were recruited randomly from lists of farmers participating A4N groups and from lists of farmers with similar socio-economic characteristics and livelihoods in non-A4N villages.

Results

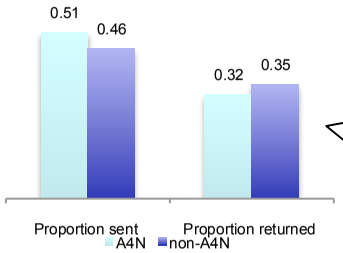
Stated trust (survey questions)



No statistically significant differences in responses to the survey questions. Low levels WVS trust compared with other countries and regions in the world.

Figure 1. Respondents agreement with the statements in the WVS and village level survey questions.

Revealed trust (trust game)



No statistically significant differences in trust levels and trustworthiness

Figure 2. Proportion sent and proportion return by participants in the trust game.

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Determinants of the proportion sent.

Multivariate analysis (OLS and fractional response models).

- A4N farmers sent C$5 more than non- A4N farmers (pvalue 0.15). However, no strong statistically significant evidence A4N more trusting.
- Participation in non-A4N groups not significant.
- Stated trust does not explain behavior.

Other factors:

- Gender: men sent C$8 less than women.
- Education: more educated participants sent C$4 less (positive quadratic term).

The proportion returned is explained by the amount sent, socioeconomic characteristics were not statistically significant.

Conclusions

- Participants in the A4N group-based interventions are not more trusting. Contrary to Etang, Fieldman & Knowles(2011) in Cameroon.

Possible explanations:

- Motivations, such as receiving project benefits, drive the decisions of individuals to join groups.
- Trust might increase due to group participation, but we do not observe this in A4N groups with 2 years of formation or less.
- Further research in the impacts of group based interventions on trust should be consider in project impact evaluation.

References

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Etang, A., Fielding, D., & Knowles, S. (2011). Trust and ROSCA membership in rural Cameroon. Journal of International Development, 23(4), 461–475. doi:10.1002/jid.1686