



Institutions, caste and the vital cog of trust

The invisible hand of trust:

1. Trust impacts income and growth through markets and public institutions. Trust in public institutions is measured in terms of levels of confidence: a great deal of confidence, only some confidence and hardly any confidence.
2. Turning to labour markets, higher trust manifests in 'higher levels of cooperative relations between labour and management and higher levels of unionisation.
3. Evidence suggests a strong positive correlation between trust and the quality of the legal system. There is a similar correlation between trust and the quality of governance'.

Confidence in Government and Caste:

1. Among institutions of law and governance, the most trusted was the judiciary, followed by State governments and then the police.
2. The SCs display so much confidence in State governments because of quotas. While those higher-ups in the socio-economic hierarchy are likely to have other options (stemming from relative affluence), SCs are largely reliant on state munificence. STs, in contrast, while also dependent on quotas, are so isolated that they have limited experience of social safety nets.
3. In striking contrast to trust in State governments, trust in the judiciary is highly pervasive with a slight variation across castes.
4. Yet another striking contrast emerged for the police as a law enforcement agency, with the lowest among STs. This is not surprising given rampant corruption and discrimination against lower castes.

Need for inclusion

1. One component of trust is shaped by beliefs inherited from earlier generations, and another by a contemporaneous environment.
2. However, recent accounts indicate a sharp erosion of trust, presumably because of State government policies that are far from inclusive, judicial verdicts that do not conform to high standards of autonomy and fairness, and police actions that violate the rights of citizens, and are often brutal.
3. While inculcation of initial beliefs is bound to be slow, transition to a policy environment that is inclusive and transparent is daunting too but growing awareness among the citizens is likely to facilitate it.