

Trust and Religion: Experimental Evidence from Rural Bangladesh

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Trust is measured using both survey questions and a trust experiment among a random sample of Muslim and Hindu household heads in rural Bangladesh. We found no significant effect of the social distance between Hindus and Muslims in the trust experiment in terms of the proportions sent or returned. However, the survey responses do indicate significant differences. Both Hindus and Muslims were found to trust others from their own religion more than they trust people from other religions. Moreover, Hindus, the minority, trust other people less in general, and Hindus trust Muslims more than Muslims trust Hindus.

INTRODUCTION

Whom shall I trust? This is a question that most of us ask ourselves almost on a daily basis. Trust in this sense refers to our expectation regarding the consequences of making ourselves vulnerable to subsequent actions and potential exploitation by someone else. At the social level there is much evidence that trust between people reduces transaction costs, fosters cooperation and is hence important for economic and social development; see e.g. Fukuyama (1995), Knack and Keefer (1997), Zak and Knack (2001), Beugelsdijk *et al.* (2004) and Bohnet *et al.* (2005).

Easterly and Levine (1997) showed that, in terms of an ethnolinguistic fractionalization index, the degree of ethnic diversity can explain much of the observed cross-country differences in pro-growth policies and political stability. One possible explanation for this is differences in trust between people, which in turn may be related to the degree of social distance between them. The notion 'social distance' is here used according to the definition found in the *Encyclopaedia of Psychology* (Triandis 2000): '[t]he perceived distance between individuals and groups', which is also how it is most often used in the literature (e.g. Akerlof 1997).¹ It is therefore important to investigate whether different religious affiliations reduce trust, and if so by how much.

The objective of this paper is to test whether individuals are less inclined to trust people of a different religious belief. The paper is conducted within the context of the two main religions of Bangladesh, i.e. Islam (about 88% of the population) and Hinduism (about 11%), and uses both attitudinal trust questions and a so-called trust experiment involving a random sample from the general population in rural Bangladesh to test for differences in trust and trustworthiness on the basis of religious beliefs. We test four possible combinations: (i) Muslim sender and Muslim receiver, (ii) Muslim sender and Hindu receiver, (iii) Hindu sender and Hindu receiver and (iv) Hindu sender and Muslim receiver. As far as we know, this is the first study using a trust experiment to study religious discrimination based on a non-student sample. Although student samples are appropriate when analysing many tasks experimentally, the degree to which one can generalize the results from a student sample to the general population is questionable in terms of issues such as religious and ethnic discrimination.

The idea that religious affiliation may be important in terms of both signalling trustworthiness and increasing trust (and hence reducing risks) within a group of people was already noted by Adam Smith in his *Wealth of Nations* (see e.g. Anderson 1988). Fukuyama (1995) makes similar points, and argues more generally that in each culture or society there is a boundary of trust, such that people in relationships within that boundary are considered to be much more trustworthy than people outside the boundary.

In the social sciences, a large part of the empirical literature on measuring trust and other parts of social capital is based on various kinds of attitudinal trust questions such as 'Generally speaking, would you say that most people can be trusted or that you cannot be too careful in dealing with people?' On the basis of such survey questions, Alesina and La Ferrara (2002) found that belonging to a minority, which is often a group that has historically been discriminated against, is associated with having low trust in general, whereas religious beliefs and ethnic origins *per se* do not significantly affect levels of trust. However, little research has been conducted in which people are asked how much they trust different groups of people. Buchan and Croson (2004) asked US and Chinese students to act the role of senders in a hypothetical trust experiment with different imaginary receivers, letting the social distance range from parent to stranger from a foreign country. Both groups of students answered that they would send much more to close relatives or students they knew well than to unknown students or strangers.

By and large, however, economists have historically preferred to rely exclusively on observed revealed behaviour, and hence they have been reluctant to use self-reported survey questions with a validity that has been questioned (see e.g. Bertrand and Mullainathan 2001). Still, all methods have their problems, and the question of how to best measure trust in a society is still much debated. In this paper, therefore, we combine standard trust survey questions and a trust game (see e.g. Berg *et al.* 1995).

Our results, perhaps somewhat surprisingly, show that the behaviours in the trust game do not indicate any statistically significant differences in trust based on religion. These results can also be interpreted in terms of discrimination, indicating that there is neither any statistical nor taste-based discrimination between Muslims and Hindus in rural Bangladesh.

However, according to survey responses to the attitudinal trust questions, both Hindus and Muslims trust others of their own religion more than they trust people of other religions. Moreover, Hindus (i.e. people from the minority religion) trust others significantly less in general, which is consistent with the finding of Alesina and La Ferrara (2002). In addition, Hindus trust Muslims more than Muslims trust Hindus.

The rest of the paper is organized as follows. Section I presents a brief review of the literature in which the effects of social distance on trust are measured using trust games. Section II presents our survey and experimental design. Section III presents the descriptive results from both the survey and the trust game, while Section IV provides the corresponding econometric analysis. Section V compares and discusses the discrepancies in results between the trust game and the survey, while Section VI summarizes and concludes the paper.

I. TRUST GAMES AND SOCIAL DISTANCE

In this section we first explain the nature of a trust game and then briefly review the literature on how social distance affects the behaviour in trust games. Participants in a typical trust experiment are anonymous and unknown to each other, and are divided into

two groups. These groups contain participants who are defined as either ‘senders’ or ‘receivers’. A sender is assigned a certain amount of money and must decide how much of it to send to an anonymous receiver and how much to keep for himself/herself.² Any positive amount sent by the sender is, in general as well as in our experiment, tripled before it is given to the receiver; the receiver then decides how much of the total money received, i.e. of the tripled amount of money sent by the sender, to transfer back to the sender. Since the rules of the game are common knowledge, the theoretical prediction is that the sender should send zero to the receiver, since it will be recognized that the receiver has no incentive to send anything back. However, a Pareto improvement is possible by sending some or all of the money, if the receiver returns at least one-third of the tripled amount received. The general pattern found in conducted trust experiments is not consistent with the theoretical prediction. Instead, most senders tend to send a positive amount and most receivers return a non-negligible share; see e.g. Cardenas and Carpenter (2008) and Camerer (2003). The fraction of the endowment sent by the sender is typically regarded as a measure of trust, and the fraction returned from the amount received by the receiver is typically regarded as a measure of trustworthiness.

Previous results of religion and ethnicity tests in a trust experiment setting are mixed. Using US university students, Glaeser *et al.* (2000) measured social distance by looking at demographic similarities and found no significant differences in the levels of trust as measured by the amounts sent to partners of different races or nationalities. However, they did find that people were less trustworthy with such partners, choosing to send back less. Fershtman and Gneezy (2001) found in Jewish Israeli students a mistrust of men of Eastern origin. Fershtman *et al.* (2005) found that Flemish and Walloon students in Belgium trusted each other less than students of their own group, but that they were no less trustworthy to students of the other group. Moreover, Willinger *et al.* (2003), conducting a cross-country trust experiment between French and German students, found that neither the French nor the German students sent significantly different amounts according to whether or not the receiver was of their own nationality; the return ratios were also the same. However, they found that German students sent significantly more than French students, irrespective of the type of receiver. Buchan *et al.* (2006), using a real-money trust experiment, found that Chinese students sent more to other students than US students did, which supports the results in the hypothetical trust game reported in Buchan and Croson (2004).

Few experiments have used a non-student subject pool. In an interesting paper, Barr (2004) investigated the potential effects of kinship in Zimbabwe. After independence, a large number of Zimbabwean households were resettled into new villages on land previously owned and farmed by commercial farmers. As a consequence, most households in these new villages are unrelated, as opposed to the case in traditional villages. Barr found that senders in the resettled villages sent significantly less in a trust game than senders in traditional villages; however, she found no significant effects on the fraction returned. Bouckaert and Dhaene (2004), on the other hand, investigating trust among Turkish and Belgian businessmen in the Belgian town of Ghent, failed to find any significant differences resulting from ethnic origin.

II. THE BANGLADESH TRUST EXPERIMENT

The Bangladeshi society of today is fairly mixed, with Muslims and Hindus living together in many villages. Ninety-eight percent of the population is Bengali; i.e. most of

the population comes from the same ethnic group. The remaining ethnic group consists of tribal groups and Biharis, who are Urdu-speaking Pakistanis. Thus, there is little risk of confusing religion-induced differences with ethnic ones. However, since Bangladesh's independence from Pakistan in 1971, socioeconomic problems and a lack of democratic governance have been contributing to sporadic assaults on minorities, which in turn have created, to varying extents, apprehension and alienation among the various communities, particularly in the rural areas. More recently, there has been growing evidence of assaults on Hindu communities in the aftermath of the 2001 general election which brought a coalition of a nationalist and a pro-Islamic party into power, creating further tension and possible distrust (Guhathakurta 2002, 2004).

Sampling and procedure

In this paper we use a random sample from the general population in rural Bangladesh to test for differences in trust and trustworthiness based on religious beliefs, i.e. being a Muslim or a Hindu, among senders and receivers. We test four possible combinations: (i) Muslim sender and Muslim receiver, (ii) Muslim sender and Hindu receiver, (iii) Hindu sender and Hindu receiver and (iv) Hindu sender and Muslim receiver. We randomly created 65 pairs for each of the four combinations.³

The experiment was conducted in selected villages within five districts of the Dhaka division: Netrokona, Mymensingh, Gazipur, Manikganj and Narayanganj. Bangladesh consists of six divisions and 64 districts, 16 of which are located in the Dhaka division. The trust game was conducted at the end of a household survey, among household heads. The decision to use household heads as respondents was due to the fact that financial decisions within Bangladeshi households are generally made, or at least approved, by the household heads. We matched each sender from one village with a receiver from a nearby village. The participants were clearly informed about the experiment and about the religious identity of the person with whom they had been matched.

As discussed in Holm and Danielsson (2005), there is a risk of self-selection in a trust experiment if participation is voluntary (e.g. recruitment by posters), which might result in an over-representation of relatively trusting and trustworthy participants. Therefore we chose a random sample strategy. In the villages, households from a specific religion normally live in clusters. As a result, upon arrival in a village, the enumerators were directed towards different parts of the village; they were then asked to conduct the household survey and to run the trust experiment with the household head in every fourth household.

The Muslim and Hindu parts of the villages were identified with local assistance, which made the assignment of the correct matching straightforward. If the household head was not around, the enumerators were instructed to come back later. If a selected respondent was not at home at the time of the second visit, the enumerator moved to the next neighbouring household. Replacement households form approximately 23% of our sample. No more than two days were spent in the same village because of the risk that people would start talking about the experiment.

Since the experiments took place not far from Jahangirnagar University, which is located outside Dhaka, it can be assumed that the subjects were familiar with the university. The university is neutral in religious terms and has no education in religion. (It has the following four faculties: Mathematical and Physical Science, Social Science, Arts, and Biological Science.) Moreover, the university has a substantial fraction of

Hindu students. The enumerators were recruited among students from the university, and they were asked to dress in a neutral way. Despite this, however, the enumerator's religious affiliation is still typically observable by the name, and sometimes by the body language. Upon arrival at the household, and after an initial greeting phrase, the enumerator said:

My name is [. . .]. We are from Jahangirnagar University in Dhaka [*enumerator shows ID card*] and are conducting a survey on behalf of Gothenburg University in Sweden. The purpose of this study is to find out about your living conditions and some other aspects of your life. We would very much appreciate your participation in this survey. It usually takes about two hours to complete. Whatever information you provide, neither you nor any members of your household will be identified by name or address in any of the reports we will write. There is a participation fee to honour your time and sincere cooperation. For participating and completing the survey questionnaire, we will give you one hundred taka. We request that you do not talk to anyone while answering our questions, and we would prefer to talk to you alone to avoid interruption and to save both your time and ours. Would you like to participate?

This gave the selected household head the possibility to say no. However, only about 2% of those household heads at home did not wish to participate.

Sender households

In the sender households, the enumerators requested that the trust experiment be conducted in private, free from any interruptions, and they ensured the confidentiality of the responses by the sender. Then the enumerators began to read instructions to the sender on how the experiment was going to work. The complete instructions are included in the Appendix. These instructions also included examples of the experiment, presented as outcomes of different decisions made by the sender and the receiver. In addition, the religion of the receiver was clearly stated. While giving the senders examples of game resolutions might influence their decisions, we found it to be necessary based on experiences from the pilot study (given the low level of formal education). The senders were also informed that they would be paid within three days. The senders were then given two envelopes. One of them contained their original endowment of 200 Bangladeshi taka (TK) and the other one was empty. (57.8 TK = 1 USD at the time of the experiment.) The senders put the amount of money that they decided to send to the receiver into the empty envelope. In the experiment we used thick envelopes in order to prevent enumerators from guessing how much had been sent to the receiver, and thus from knowing how much had been kept. The enumerator ensured that the decision was made in private by turning his back to the sender while the money was put into the envelope. The enumerator waited until the sender was finished with the envelopes. The sender was then asked to close the envelope that was to be sent to the receiver and seal it with a stamp that had been provided, before returning it to the enumerator. The sender was instructed to do so even if he/she had decided to send nothing. The senders were assured that the enumerators would not know their decisions, as they would not open the envelope. At the end of the day the enumerator handed the envelopes to the principal researcher, who opened them and put the tripled amount into new envelopes to be distributed the next day. The following day the enumerators were given these new envelopes to be delivered to the receivers.

Receiver households

A similar procedure was repeated in the receiver households. After the instructions for the experiment had been read, including the same examples and information that were given to the senders, the receivers received the envelopes containing the tripled amount from the sender, along with an empty envelope. The enumerator then turned his back to the receiver, who had been instructed to put the amount of money that he/she wanted to return to the sender into the empty envelope. After putting the chosen amount in the envelope, the receiver was asked to close and seal it with a stamp that had been provided by the enumerator. At the end of the day the enumerator returned the envelopes to the principal researcher, who counted and recorded the amount to be transferred back to the sender. During the following day, i.e. on the third day, the envelopes were delivered back to the senders. Finally, all respondents were explicitly asked not to discuss with anyone else the sums of money that they had earned from the experiment, because people who did not have this opportunity might envy them, which might cause future problems both for them and the organizers.

There is, of course, always a potential risk of distrust towards either the people or the organization running the experiment. In order to minimize this, university students were used as enumerators, since a university is generally considered to be a trustworthy institution in Bangladesh (compared with many NGOs, for example). Moreover, it was specifically mentioned that this was an academic project run by a local and a Swedish university. In addition, the overall large amounts sent and returned seem to indicate that this type of mistrust can hardly be a major problem.

III. RESULTS FROM THE EXPERIMENT AND THE SURVEY

In this section we first present the results from the experiment in terms of real money sent and received. This is followed by the survey results in terms of stated trust. Finally, we discuss possible enumerator effects.

Trust game results

In Table 1 we show the average fractions sent and transferred back as well as the proportions of zeros for the whole sample and for each sub-sample of the experiment. In the end we had 256 pairs, as four pairs were dropped owing to procedural incompleteness.

The average amount sent, 92.5 TK, is about 46% of the initial endowment of 200 TK. The average amount returned was 134.6 TK, which equals a return ratio of 46%. The amount returned is, on average, in excess of the amount sent and thus, on average, it is profitable for the sender to send money. This can be compared with Camerer (2003), who concluded that the return ratio tends to be about one-third, meaning that, on average, it is neither profitable nor unprofitable for the senders to send money. On the other hand, our findings are in line with Cardenas and Carpenter (2008). They summarized trust experiments conducted in developing countries and countries undergoing transition and found that senders on average benefited from trusting (i.e. sending money) in 18 out of the 28 trust games reported.

Moreover, out of the 256 senders who participated in the experiment, 18 (7%) sent nothing while 46 (18%) sent everything. Out of 237 receivers (one receiver refused to take

TABLE 1
AVERAGE PROPORTION SENT AND RETURNED, BY SUBSAMPLES BASED ON RELIGION

	Total	Muslim sender Muslim receiver	Muslim sender Hindu receiver	Hindu sender Muslim receiver	Hindu sender Hindu receiver
Average proportion sent	0.46	0.46	0.46	0.43	0.50
No. of observations	256	64	65	63	64
Average proportion returned	0.46	0.46	0.51	0.42	0.44
No. of observations	237	60	61	57	59
Proportion of zero sent	0.07	0.06	0.05	0.10	0.08
No. of observations	18	4	3	6	5
Proportion of zero returned	0.05	0.03	0.03	0.05	0.07
No. of observations	11	2	2	3	4

Note: One receiver refused to take part in the trust experiment.

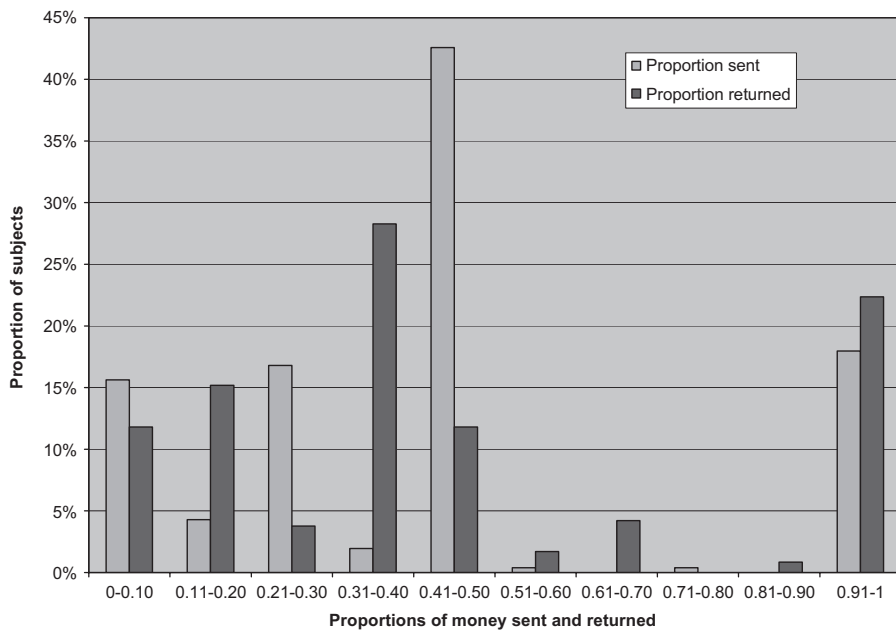


FIGURE 1. Histograms of the proportions of money sent by the senders, and returned by the receivers, in the trust game.

part in the experiment), 11 (5%) sent back nothing while 52 (22%) sent back everything to the senders (see Figure 1 for more detailed histograms).

As shown in Table 1, there are generally fairly small differences in both the fractions sent and those returned with respect to the religion-based sub-groups. Based on non-parametric tests, we cannot reject the null hypothesis that the proportions sent in all subgroups come from the same population at the 10% significance level (p -value 0.76)

using a joint Kruskal–Wallis test. Furthermore, we cannot reject the null hypothesis that the two subsamples come from the same underlying population at the 10% significance level (the lowest p -value is 0.31) using Wilcoxon–Mann–Whitney tests for all possible pairwise combinations. Both are non-parametric (i.e. distribution-free) tests, and thus are appropriate here, since it is difficult to make any *a priori* assumption about the distributions (see e.g. Siegel and Castellan 2000) for a description of these tests. The corresponding null hypothesis for the fractions returned by the receivers can be rejected neither for the whole sample nor for any of the pairs using the same test procedure as for the senders, again at the 10% significance level ($p = 0.43$ in the joint test and the lowest p -value in the pairwise tests was 0.15).

Thus, we find no significant differences in trust arising from religious allegiance, as measured by the fractions sent in a trust game. Moreover, the fact that we find no difference in trustworthiness may indicate that people, on average, are correct in their judgment that there are no systematic differences in trustworthiness based on religious allegiance.

Stated trust results

The respondents were asked several trust questions approximately 20 minutes before the interview ended and the trust experiment began. The picture provided from the stated trust questions is quite different from that provided by the trust game. On the basis of the most frequently used standard GSS trust question—‘Generally speaking, would you say that most people can be trusted or that you cannot be too careful in dealing with people?’—we find that only about 3% felt that most people can be trusted. This seems to indicate a very low level of trust, with the corresponding figures for Muslims and Hindus being 2% and 4%, respectively. Since this measure is, for obvious reasons, very crude, we also asked a six-level question on the degree to which they agreed with the statement ‘most people can be trusted’ where 1 corresponded to strong disagreement with the statement and 6 corresponded to strong agreement. The results are shown in Table 2. As can be seen, the result here is much less extreme, and even the fractions of those who *strongly agree* that most people can be trusted are larger than those who *agree* that most people can be trusted in the dichotomous question. This seems puzzling. A possible reason, which is supported by the experiences of some of the enumerators, has to do with the second part of the dichotomous question, i.e. ‘... or that you cannot be too careful in dealing with people’. It appears that many respondents perceived such carefulness to be praiseworthy, which then contributed to the low-trust figure in the standard GSS trust question.

We also asked the same six-level question with specific reference to people from their own religion as well as from other religions, finding that, on average, people trust people from other religions less than they trust people from their own religion. This holds both for Muslims and Hindus, although the differences are somewhat smaller for Hindus. Based on the non-parametric Wilcoxon–Mann–Whitney test, we find no statistical differences between Hindus and Muslims in terms of trust in people of their own religion (p -value = 0.27), while the null hypothesis of no differences between Muslims and Hindus in general trust and in trust in people of another religion could be rejected at the 1% significance level. Given that trust increases with social interaction, the latter pattern might be explained in part by the fact that Hindus, being a minority, are generally more or less forced to interact with Muslims, while Muslims, being the majority, are not forced to interact with Hindus.

TABLE 2
STATED TRUST AS THE LEVEL OF AGREEMENT WITH DIFFERENT TRUST STATEMENTS

Level of agreement with the statement:	Most people can be trusted	Most people from own religion can be trusted	Most people from other religions can be trusted
<i>Whole sample</i>			
Strongly disagree	13%	1%	13%
Disagree	25%	10%	23%
Partly disagree	31%	19%	28%
Partly agree	14%	19%	15%
Agree	8%	23%	8%
Strongly agree	9%	27%	13%
No. of observations	512	511	511
<i>Muslims</i>			
Strongly disagree	10%	2%	20%
Disagree	22%	9%	28%
Partly disagree	34%	20%	24%
Partly agree	13%	15%	13%
Agree	10%	25%	6%
Strongly agree	11%	29%	9%
No. of observations	256	256	256
<i>Hindus</i>			
Strongly disagree	16%	1%	6%
Disagree	29%	10%	19%
Partly disagree	29%	19%	32%
Partly agree	14%	24%	16%
Agree	6%	22%	10%
Strongly agree	6%	24%	16%
No. of observations	256	255	255

However, the results that people on average trust both people of their own religion *and* people of other religions more than they trust people in general appear internally inconsistent. A possible explanation is that the respondents when answering the other religion trust question were influenced by their previous answer on the own religion trust question. Many may have felt uneasy about deviating too much from this previous response, even though they in fact did feel that they trusted people from their own religion considerably more. Even though there might also have been an impact from the general trust question on the responses to the own religion trust question, it is reasonable to expect this effect to be smaller, for two reasons. First, comparing people in general with people of one's own religion is less direct, and hence less sensitive, than comparing people from one's own religion with those of other religions. Second, saying that one trusts people from a certain group more is presumably less sensitive than saying that one trusts people from another group less, even though both statements are logically equivalent.

However, this explanation may not be the whole story, and it is noteworthy that the pattern differs between Muslims and Hindus. Consider the fraction of respondents that either strongly agree or agree that most people can be trusted; this fraction is larger among Muslims (21%) than among Hindus (12%). Moreover, this fraction for Muslims is larger than the corresponding fraction concerning trust in people of other religions (15%). For Hindus, on the other hand, the fraction of respondents who strongly agree or agree that people from other religions can be trusted (26%) is larger than the

corresponding fraction for people in general. Although the explanation based on the influence from previous answers may be valid for Muslims as well, since they may have stated an even lower trust figure for Hindus otherwise, other explanations are still possible.

Possible enumerator effects

One possible explanation for the above pattern is enumerator effects, since all enumerators except one were Muslim. It is therefore possible that attempts to please the enumerators biased the result (cf. Bertrand and Mullainathan 2001). In order to shed some light on this issue, we divide the stated trust result into groups, separating those who agreed and disagreed on the stated trust statement and according to whether the enumerators were Muslim or Hindu. The results are shown in Table 3 for Muslim and Hindu subjects. Some of the results are consistent with the pleasing enumerator hypothesis: Hindus do indeed trust other Hindus to a somewhat larger extent when they have a Hindu enumerator instead of a Muslim, and Muslims trust Hindus less when they have a Muslim enumerator instead of a Hindu. However, there are also effects going in the non-expected direction: Hindus trust Muslims *more* with the Hindu enumerator, and Muslims trust other Muslims *less* when they have a Muslim enumerator.

We test the null hypothesis that the equality of proportions of those agreeing to a stated trust question is unrelated to religious belonging of the enumerator given the religious beliefs of the subjects. Thus, we conducted six pairwise tests (two religious groups among subjects and three stated trust questions). As can be seen from Table 3, at the 5% significance level we can reject the hypotheses that the proportion of Muslims who trust Hindus, and the proportion of Hindus who trust Hindus, are independent of the enumerator's religious belonging. For all other comparisons, we cannot reject that the proportions are the same independent of enumerator religion. Moreover, on the basis of a Wilcoxon–Mann–Whitney test, where we test whether the two samples are from the same underlying distribution, the only hypothesis we can reject at the 5% significance level is that Hindus trust other Hindus to the same extent whether the enumerator is Muslim or Hindu.

TABLE 3
STATED TRUST DIVIDED ON MUSLIM AND HINDU ENUMERATORS

	Strongly agree, agree or partly agree that most people can be trusted	Strongly agree, agree or partly agree that most people from own religion can be trusted	Strongly agree, agree or partly agree that most people from other religions can be trusted
<i>Muslims</i>			
Muslim enumerators	81/240 (34%)	164/240 (68%)	64/240 (27%)**
Hindu enumerator	7/16 (44%)	13/16 (81%)	8/16 (50%)
<i>Hindus</i>			
Muslim enumerators	60/226 (27%)	152/225 (68%)**	95/225 (42%)
Hindu enumerator	9/30 (30%)	26/30 (87%)	15/30 (50%)

Notes: We test the null hypothesis that the answers to the stated trust question are unrelated to the religious belongings of the enumerators given the religious belongings of the respondents.

Superscripts *, **, *** denote statistical significance at the 10%, 5% and 1% level, respectively, based on a test of proportions.

However, it should be noted that the diagnostic value of the statistical tests is limited, since the tests implicitly assume that the observations are independent. Since there is only one Hindu enumerator, clearly no statistical test can give definitive answers. In brief, we cannot rule out that the religion of the enumerators may have affected the responses, although there is no clear and systematic pattern.

IV. ECONOMETRIC ANALYSIS

In this section we present first the sample characteristics and the variables used in the regressions, and then the regression results from the trust experiment and survey.

Sample characteristics and explanatory variables

Table 4 describes the explanatory variables used in the econometric analysis and presents their mean values. The high illiteracy in general is worth noting: almost 30% of the sample can neither read nor write. However, it is interesting that this fraction is actually larger among the Muslims, i.e. those of the majority religion. As also noted in the previous section, Hindus report a higher general trust, but the pattern of the other variables often used to reflect social capital is more complex. Trusting behaviour, in terms of lending money to friends and neighbours, is more frequent among Muslims, whereas, perhaps surprisingly, Hindus on average state a higher confidence in institutions. There are no significant differences with respect to income or the occurrence of a recent misfortune.

Trust game regressions

In Table 5 we present the estimates from OLS regressions to explain factors that may influence the fractions sent by the senders and the fractions returned by the receivers. In the model we included five dummy variables considering that stated trust was collected on a six-point scale, where the reference group is 'strongly disagree' with the statement that most people can be trusted. Since we used several enumerators to conduct the fieldwork, we tested the hypothesis of no enumerator effect in the trust game regressions, but it could not be rejected at the 5% significance level (p -values 0.60 and 0.31, respectively, for the models on proportion sent and proportion returned), based on joint F -tests. In all reported regressions we included dummy variables (although the individual parameters are not shown in the table) in order to control for potential enumerator effects. Moreover, we also included a dummy variable indicating those cases where the enumerator and subject were of the same religious beliefs.

As is clear from Table 5, we again found no significant influence of religious allegiance either on the proportion sent or on the proportion returned, since none of the three dummy variables identifying religious affiliations of senders and receivers were significantly different from zero. We also conducted F -tests in order to test whether these three dummy variables were jointly equal to zero. Again, we cannot reject the null hypothesis of no differences between the subgroups for either the fraction sent (p -value 0.47) or the fraction returned (p -value 0.58). Moreover, the fraction sent is not significantly correlated to the fraction returned. The relationship between the proportion sent and age has an inverted U-shape with a maximum at a very low age (around 5 years of age), implying that the amount sent is monotonically decreasing in the relevant age

TABLE 4
VARIABLE DEFINITIONS AND DESCRIPTIVE STATISTICS OF THE SAMPLE

Variable	Definition	Min.	Max.	N	Overall mean	Muslim mean	Hindu mean	P-value
<i>Muslim sender–Muslim receiver</i>	Muslim sender is matched with Muslim receiver	0	1	512	0.25			
<i>Muslim sender–Hindu receiver</i>	Muslim sender is matched with Hindu receiver	0	1	512	0.25			
<i>Hindu sender–Muslim receiver</i>	Hindu sender is matched with Muslim receiver	0	1	512	0.25			
<i>Hindu sender–Hindu receiver</i>	Hindu sender is matched with Hindu receiver	0	1	512	0.25			
<i>Hindu religion</i>	The religion of the respondent is Hinduism	0	1	512	0.50			
<i>Muslim religion</i>	The religion of the respondent is Islam	0	1	512	0.50			
<i>Age</i>	Age of the respondent in years	19	87	512	44.68	43.60	45.76	0.06
<i>Illiterate</i>	Can neither read nor write	0	1	512	0.28	0.34	0.23	0.01
<i>Low education</i>	Literate and/or education up to high school level	0	1	512	0.57	0.53	0.61	0.07
<i>High education</i>	Education above high school level	0	1	512	0.15	0.13	0.16	0.38
<i>Household equivalent income</i>	Annual household income in 100,000 TK, adjusted with equivalence and economies of scale.	0.01	3.64	511	0.24	0.25	0.22	0.29
<i>Stated trust</i>	Total yearly household income is divided by (number of adults + 0.5 × number of children) ^{0.75} Level of agreement with the statement that most people can be trusted (1 = strongly disagree, 2 = disagree, 3 = partly disagree, 4 = partly agree, 5 = agree and 6 = strongly agree)	1	6	512	3.05	3.25	2.85	0.00
<i>Trusting behaviour</i>	Frequency of lending money to friends and neighbours: 1 = once a year or less, 2 = about once every other month, 3 = about once a month, 4 = about once a week, 5 = more than once a week	1	5	512	1.81	1.99	1.63	0.00

TABLE 4
CONTINUED

Variable	Definition	Min.	Max.	N	Overall mean	Muslim mean	Hindu mean	P-value
<i>Confidence index</i>	Arithmetic sum of confidence on 10 institutions (banks, NGOs, military, police, judiciary, local government, executive government, political parties, rural power elites, educational institutions): 0 = hardly any confidence at all, 1 = only some confidence, 2 = great deal of confidence	2	20	508	14.56	14.14	14.98	0.01
<i>Religious participation</i>	The respondent prays at least once a day.	0	1	511	0.67	0.69	0.65	0.36
<i>Recent misfortune</i>	The respondent has been a victim of any of the following incidents in the last year: robbery/theft, mugging, personal assault, home attack, land fraud, false criminal accusation, political harassment	0	1	510	0.19	0.19	0.19	0.88
<i>Member of voluntary association</i>	Has a membership in a voluntary group and/or association	0	1	509	0.29	0.30	0.29	0.78
<i>Same religion</i>	Same religious belief of the enumerator and the subject; i.e. both are Muslims or both are Hindus	0	1	512	0.53	0.94	0.12	0.00

TABLE 5
REGRESSION ANALYSIS OF PROPORTIONS SENT AND RETURNED IN THE TRUST GAME

	Proportion sent		Proportion returned	
	Estimate	Std error	Estimate	Std error
Fraction sent			- 0.043	0.080
Muslim sender-Hindu receiver	- 0.004	0.057	0.107	0.094
Hindu sender-Muslim receiver	- 0.048	0.080	0.032	0.066
Hindu sender-Hindu receiver	0.040	0.079	0.031	0.092
Age/10	0.197**	0.098	- 0.126	0.119
(Age/10)-squared	- 0.018*	0.010	0.016	0.013
Illiterate	- 0.111	0.073	- 0.092	0.081
Low education	- 0.033	0.064	- 0.046	0.069
Household equivalent income	0.235***	0.074	0.036	0.062
Disagree that most people can be trusted	- 0.038	0.068	0.155*	0.081
Partly disagree that most people can be trusted	- 0.002	0.066	0.217***	0.082
Partly agree that most people can be trusted	0.053	0.077	0.284***	0.100
Agree that most people can be trusted	0.190*	0.100	0.292***	0.111
Strongly agree that most people can be trusted	0.022	0.085	0.336***	0.112
Trusting behaviour	0.026	0.020	- 0.010	0.022
Confidence index	- 0.003	0.006	0.003	0.007
Religious participation	- 0.013	0.046	- 0.079	0.052
Member of voluntary association	0.065	0.044	0.009	0.051
Recent misfortune	- 0.050	0.048	0.058	0.064
Same religion	- 0.019	0.071	0.069	0.082
Constant	- 0.006	0.279	0.546*	0.299
Enumerator dummy variables	Included	Included	Included	Included
R ²	0.164		0.169	
No. of observations	251		232	

Note: Superscripts *, **, *** denote statistical significance at the 10%, 5% and 1% levels, respectively.

groups. This is consistent with the findings of Fehr *et al.* (2002), based on a German sample, whereas Bellemare and Kröger (2007), in a Dutch sample, found an inverted U-shape with a maximum at age 37. Kocher and Sutter (2007), on the other hand, on the basis of an Austrian sample, found that the amount sent increases up to early adulthood but stays roughly constant thereafter.

We found a strong and significant positive effect of income on the amount sent, which is in contrast to Bellemare and Kröger (2007) and Fehr *et al.* (2002), who found no significant income effects. Perhaps the present difference from these studies is related to the fact that the experimental endowments reflect nontrivial amounts in the present sample, which is on average rather poor. To the extent that the amount sent reflects risk preferences (Karlan 2005; Schechter 2007), one would actually expect this pattern with income (cf. Binswanger 1980; Holt and Laury 2002).

Like Glaeser *et al.* (2000), we found that stated trust predicts trustworthiness, measured as the fraction returned, much better than it predicts trust, measured as the fraction sent. It is also noteworthy that religious participation (measured by praying frequency) appears to have no significant effect on the fraction returned. This is consistent with Tan (2006), who found no significant effect of religiosity on social preferences based on dictator and ultimatum games, and with Anderson *et al.* (2005),

who found that religious affiliation is virtually unrelated to individual behaviour in public good and trust games. Moreover, Pruckner and Sausgruber (2006), who investigated trustworthiness when buying newspapers from a stand where payment was put anonymously into a cash box, found that people who frequently attend church services actually pay significantly less.

Consistent with our non-parametric tests, we found no significant effects of enumerator religion relative to the religion of the subjects. In order to test whether there is any religion effect connected to reciprocity, we conducted a separate regression (not shown) in which, in addition to the explanatory variables used in Table 5 (second regression) we included an interaction effect between the fraction sent and a dummy variable indicating a Muslim receiver. However, the associated parameter is statistically insignificant (p -value 0.55). We also ran regressions (not shown) including interaction terms between being a Muslim and all the socioeconomic variables identified to be significantly different at the 5% level between Muslims and Hindus according to Table 4, i.e. *Illiterate*, *Stated trust*,⁴ *Trusting behaviour* and *Confidence index*. However, none of the associated parameters was significant at the 10% significance level; the same applies to joint F -tests, where we could never reject the null hypothesis of no interaction effects at the 10% significance level (p -values 0.93 and 0.95, respectively).

Stated trust regressions

The results from the trust game can be compared with those obtained from the stated trust questions. Table 6 shows ordered probit regressions of the Stated Trust six-point scale survey questions (where 6 indicates the highest trust). The results are overall consistent with the ones obtained by the non-parametric tests. Hindus trust less in general, consistent with the findings of Alesina and La Ferrara (2002) that minorities trust less. Again, we find that Hindus trust Muslims more than Muslims trust Hindus, whereas we find no significant difference regarding the trust in people from one's own religion. Note that it is not possible to interpret the magnitudes of the effects from the ordered probit coefficients; marginal effects are therefore presented in Appendix.

In all reported regressions, we include dummy variables (although the individual parameters are not shown in the table) in order to control for enumerator effects. For each of the three stated trust regressions, we can reject the hypothesis of no enumerator effect at a 1% significance level. We found no significant effects on stated trust of the enumerator's religion relative to the religion of the subjects. Again, however, this does not imply that we can rule out such effects.

V. COMPARING THE TRUST GAME AND THE SURVEY RESULTS

The results from the two most frequently used methods to measure trust have provided clearly different results, in part confirming the findings by Buchan and Croson (2004) and Buchan *et al.* (2006). While we find no significant evidence in the trust game that religious allegiance affects the level of trust or trustworthiness, the survey data provides a very different picture. Here both Hindus and Muslims trust others from their own religion more than they trust people from other religions. Moreover, Hindus trust Muslims more than Muslims trust Hindus, and Muslims trust people in general more than Hindus do. An obvious question then is: Which result should we believe in, or trust?

TABLE 6
ORDERED PROBIT REGRESSIONS ON STATED TRUST

	Trust in general		Trust in people of own religion		Trust in people of other religion	
	Estimate	Std error	Estimate	Std error	Estimate	Std error
Hindu religion	-0.372**	0.173	-0.205	0.182	0.398**	0.174
Age/10	-0.314	0.235	-0.083	0.240	0.070	0.236
(Age/10)-squared	0.037	0.024	0.016	0.025	0.003	0.024
Illiterate	0.263	0.173	-0.145	0.175	0.052	0.174
Low education	-0.110	0.149	-0.061	0.151	0.174	0.150
Household equivalent income	0.047	0.153	-0.010	0.150	0.090	0.154
Trusting behaviour	0.056	0.046	-0.044	0.047	0.136***	0.047
Confidence index	0.046***	0.015	0.076***	0.015	0.032**	0.015
Religious participation	-0.132	0.110	-0.171	0.112	-0.215*	0.110
Member of voluntary association	0.001	0.108	-0.070	0.109	-0.170	0.108
Recent misfortune	-0.289**	0.124	-0.052	0.124	-0.023	0.123
Same religion	-0.010	0.172	0.058	0.181	-0.144	0.172
Enumerator dummy variables	Included	Included	Included	Included	Included	Included
Pseudo R^2	0.058		0.067		0.061	
No. of observations	501		500		500	

Note: Superscripts *, **, *** denote statistical significance at the 10%, 5%, and 1% level, respectively.

An obvious advantage with the trust game is that it relies on real monetary incentives, implying that it is costly for the participants to deviate from their true preferences and perceptions. Stated trust, on the other hand, is in a sense cheap talk without monetary consequences. Some analysts, therefore, such as Glaeser *et al.* (2000), seem to see it as self-evident that trust experiments are superior to survey questions. The results in this paper indicate that the responses to the stated trust questions are indeed rather sensitive to framing and anchoring effects, as discussed above.

Still, it is possible to argue that an advantage of using survey questions is that they measure concerns about trust more directly, since that is what is explicitly asked for, however noisy and biased the measurement might be. Behaviour in a trust experiment, on the other hand, can have different driving forces. For example, Cox (2004) presented evidence that behaviour in trust games partly measures other-regarding preferences; whereas Karlan (2005) and Schechter (2007) found that it largely measures risk preferences rather than trust.

It is also possible that the two approaches measure different aspects of trust, where perhaps the survey responses reflect a broader meaning of trust beyond monetary issues, including aspects such as keeping a promise, being honest and working hard. Moreover, the trust game in this study was played with people from a nearby village, whereas the stated trust question refers to people in general. It is possible that, say, Muslims believe that Hindus are generally less trustworthy, but that they believe that those Hindus who live nearby are equally trustworthy as the Muslims who live nearby. In addition, the cognitive burden of dealing with all the information in the trust game

is far from trivial. It is therefore possible that, even if for example the Muslims believe that all Hindus, including those living nearby, are less trustworthy than the Muslims living nearby, the provided information of religious belonging is not sufficiently salient to make an impact when actually deciding whether or not to send money. Indeed, it is shown in a large amount of psychological research that in many instances we tend not to use all available information when making decisions, but rather focus primarily on the information that is most salient to us (Gilovich *et al.* 2002). Thus, even if there is a real difference in trust, it is possible that people sometimes behave as if there is no difference. This is presumably also true in real life outside the trust game situation.

On the basis of our results, we cannot *a priori* argue that one way to measure trust is always better than the other, and it appears reasonable to view the different approaches as complements rather than substitutes. It remains therefore an important task for future research to provide better insights into how to measure different aspects of trust in a reliable way.

VI. CONCLUSION

This paper has measured trust based on both survey questions and a trust experiment among a random sample of Muslim and Hindu household heads in rural Bangladesh. No significant effect of the social distance between Hindus and Muslims was found in the trust experiment in terms of either the fractions sent or those returned. However, the survey responses do indicate significant differences. Here both Hindus and Muslims trust others from their own religion more than they trust people from other religions. Hindus, the minority, trust other people less in general, while Hindus trust Muslims more than Muslims trust Hindus. Parts of these differences may relate to the fact that the different methods simply measure different aspects of trust.

The results can also be interpreted in terms of discrimination. The first stage of the trust game can be interpreted as a reflection of statistical discrimination (Phelps 1972; Arrow 1973), since a sender might treat a receiver in a certain group less favourably—not because of any inherent preferences or wishes to do so, but because he or she might think that people in that group on average are less trustworthy, implying that it is profitable to treat them differently. The second stage, on the other hand, can be seen as a reflection of taste-based discrimination (Becker 1957), since the receiver has no strategic reason to treat initial senders from different groups differently. The trust game results thus indicate that there is neither statistical nor taste-based discrimination between Muslims and Hindus in rural Bangladesh. As suggested by a referee, a possible explanation is that discrimination is a low-benefit activity that is observed only when it is cheap, i.e. in the survey. However, as mentioned, other interpretations are possible, and more research on this important issue is therefore to be encouraged, in particular among real people in the field.

Finally, this paper has also touched upon the potential problems of enumerator effects. We cannot rule out that such effects may have influenced the results, in particular with respect to the stated trust questions. We believe that there are good reasons for experimental economists to pay larger attention to such problems in the future. This is important not least because experimental research has recently moved outside the laboratory into a larger scale, which often implies the use of several enumerators who for natural reasons will differ in looks and other characteristics. Moreover, as already

highlighted by Smith (1976), there are other possible motives behind the observed behaviour in an experiment than the monetary outcome for oneself and others (and of pleasing the enumerators). It may therefore be advisable to look more carefully also at other potential influences, such as boredom, priming, 'game value' and cognitive transaction costs.

APPENDIX A: VERBAL TRUST GAME INSTRUCTIONS

Sender

The purpose of this part of the survey is to gain additional insights into human behaviour. You will be confronted with a decision situation that involves real money. How much you earn depends on the choices of you and another participant, and it may happen that you earn nothing.

The other participant is any household head in the nearby village, [. . .], who is Hindu/Muslim by religion.

That person is also participating in our survey and will get the same participation fee as you once you have completed the questionnaire.

You will not know who the other participant is, and that person will not know who you are. Your choices and outcomes will be confidential.

Please do not talk to anyone during the experiment.

Let us call the person you have been paired with 'B'. person B will receive the same information as you.

To begin with, you will be given 200 taka in one of the envelopes. This money is in addition to the 100 taka that you will get as your promised participation fee. The other envelope is empty to start with.

You decide how much of the 200 taka you would like to send to person B. You may choose to keep it all or to send a part or all of it to person B. That is completely your choice.

We will triple the amount that you decide to send to person B, and give that money to person B. For example, if you decide to send 100 taka to person B, person B will get 300 taka.

Person B will then be asked how much of this tripled money he would like to send back to you. Person B will be informed about the fact that you have received 200 taka to start with, and he will be given the same information as you. Person B can send back some, all or none of the tripled amount. Our messenger will deliver any amount that person B sends back to you, within three days. You will then keep that amount of money, and person B will keep the remaining amount.

For example, if you send 100 taka to person B, person B will get 300 taka. If B then returns 150 taka to you, you will have 250 taka in the end. This is figured by subtracting the 100 taka you sent to B from your initial 200 taka, and then adding the 150 you received back from B. If on the other hand B returns nothing, you will have 100 taka in the end. This is figured by subtracting the 100 you sent to B from your initial 200 taka. If B returns everything, you will have 400 taka in the end. This is figured by subtracting the 100 you sent from your initial 200 taka, and then adding the 300 that you received back from B. Remember that you have the opportunity to send nothing, i.e. to keep your 200 taka.

Do you fully understand what I have discussed and what you are to do?

Please use the empty envelope to send the amount of money that you desire. I will soon turn around for 1/2 minute. During that time, please put the amount you wish to send in the empty envelope. I will not know what you decide, and I will not open the envelope. Our principal researcher will open the envelope. Again, it is completely your decision whether or not to send any money.

I will now turn around.

Please close the envelope and seal it with the stamp, and then return it to me. Seal it with the stamp even if you have decided to send nothing.

[. . . *Some follow-up questions are omitted here* . . .]

Thank you very much for your cooperation!

As this will be convenient for yourself and for our work, please do not discuss with others anything you earn from this survey.

Receiver

The purpose of this part of the survey is to gain additional insights into human behaviour. You will be confronted by a decision-making situation that involves real money. How much you earn depends on the choices of you and another participant, and it may happen that you earn nothing.

The other participant is any household head in the nearby village [...], who is Hindu/Muslim by religion.

That person is also participating in our survey and will get the same participation fee as you once you have completed the questionnaire.

You will not know who the other participant is, and that person will not know who you are. Your choices and outcomes will be strictly confidential.

Please do not talk to anyone during the experiment.

Let us call the person you have been paired with 'A'. Person A receives the same information as you.

To begin with, person A is given 200 taka in one of the envelopes. This money is in addition to the 100 taka that person A will get as a participation fee. The other envelope is empty to start with.

Person A decides how much of the 200 taka that he would like to send to you. Person A has been given the opportunity to keep it all or send a part or all of it to you. That is completely his choice.

We tripled the amount that person A decided to send to you, and we give that money to you. For example, if person A has sent 100 taka to you, you will get 300 taka.

You will be asked how much of the tripled money you would like to send back to person A. Person A was informed about the fact that you will know that he has received 200 taka to start with, and you will be given the same information as A. You can send back some, all or none of the money you get. Any amount that you decide to send back to person A will be delivered to A by our messenger within three days. Person A will then keep that money, and you will keep the remaining amount.

For example, if person A sends 100 taka to you, you get 300 taka. If you then return 150 taka to person A, you will have 150 taka in the end and person A will have 250 taka. This is figured by subtracting the 100 taka sent to you from his initial 200 taka, and then adding the 150 received back from you. If on the other hand you return nothing, you will have 300 taka in the end and person A will have 100 taka. This is figured by subtracting the 100 taka sent to you from his initial 200 taka.

Do you fully understand what I have discussed and what you are to do?

Please use the empty envelope to send back the amount of money that you desire. I will soon turn around for 1/2 minute. During that time, please put the amount you wish to send back in the empty envelope. I will not know what you decide, and I will not open the envelope. Our principal researcher will open the envelope. Again, it is completely your decision whether or not to send any money.

I will now turn around.

Please close the envelope and seal it with the stamp, then return it to me. Seal it with the stamp even if you have decided to send back nothing.

[... *Some follow-up questions are omitted here* ...]

Thank you very much for your cooperation!

As this will be convenient for yourself and for our work, please do not discuss with others anything you earn from this survey.

APPENDIX B: MARGINAL EFFECTS FROM ORDERED PROBIT REGRESSIONS

Tables A1, A2 and A3 present results of the orbit probit regressions on stated trust (i) in general; (ii) in people of their own religion and (iii) in people of other religions.

TABLE A1
ORDERED PROBIT REGRESSION ON STATED TRUST IN GENERAL: MARGINAL EFFECTS

Dependent variable outcomes	Most people can be trusted					
	Strongly disagree	Partly disagree	Disagree	Partly agree	Agree	Strongly agree
Hindu religion	0.067** (0.032)	0.073** (0.034)	-0.015 (0.009)	-0.041** (0.019)	-0.034** (0.016)	-0.050** (0.024)
Age	0.056 (0.042)	0.062 (0.047)	-0.013 (0.011)	-0.035 (0.027)	-0.029 (0.022)	-0.042 (0.031)
Age-squared	-0.007 (0.004)	-0.007 (0.005)	0.002 (0.001)	0.004 (0.003)	0.003 (0.002)	0.005 (0.003)
Illiterate	-0.044 (0.027)	-0.053 (0.036)	0.006 (0.004)	0.028 (0.018)	0.025 (0.017)	0.038 (0.027)
Low education	0.019 (0.026)	0.022 (0.030)	-0.004 (0.006)	-0.012 (0.017)	-0.010 (0.014)	-0.015 (0.020)
Income per capita	-0.008 (0.027)	-0.009 (0.030)	0.002 (0.006)	0.005 (0.017)	0.004 (0.014)	0.006 (0.020)
Trusting behaviour	-0.010 (0.008)	-0.011 (0.009)	0.002 (0.002)	0.006 (0.005)	0.005 (0.004)	0.007 (0.006)
Confidence index	-0.008*** (0.003)	-0.009*** (0.003)	0.002* (0.001)	0.005*** (0.002)	0.004*** (0.002)	0.006*** (0.002)
Religious participation	0.023 (0.019)	0.026 (0.022)	-0.004 (0.004)	-0.015 (0.012)	-0.012 (0.010)	-0.018 (0.016)
Member of voluntary association	-0.000 (0.019)	-0.000 (0.021)	0.000 (0.004)	0.000 (0.012)	0.000 (0.010)	0.000 (0.014)
Recent misfortune	0.058** (0.028)	0.054** (0.022)	-0.020 (0.013)	-0.033** (0.015)	-0.025** (0.011)	-0.034** (0.013)
Same religion	0.002 (0.031)	0.002 (0.034)	-0.000 (0.007)	-0.001 (0.019)	-0.001 (0.016)	-0.001 (0.023)
Pseudo R^2	0.058					
No. of observations	501					

Notes: Standard error in parentheses. We control for enumerator effects, but the coefficients are omitted from the presentation.

Superscripts *, **, *** denote statistical significance at the 10%, 5% and 1% level, respectively.

TABLE A2
ORDERED PROBIT REGRESSION ON STATED TRUST IN PEOPLE OF OWN RELIGION: MARGINAL EFFECTS

Dependent variable outcomes	Most people of own religion can be trusted					
	Strongly disagree	Partly disagree	Disagree	Partly agree	Agree	Strongly agree
Hindu religion	0.004 (0.004)	0.027 (0.024)	0.038 (0.033)	0.012 (0.011)	-0.019 (0.017)	-0.063 (0.056)
Age	0.002 (0.005)	0.011 (0.032)	0.015 (0.044)	0.005 (0.014)	-0.008 (0.022)	-0.026 (0.074)
Age squared	-0.000 (0.001)	-0.002 (0.003)	-0.003 (0.005)	-0.001 (0.002)	0.001 (0.002)	0.005 (0.008)

TABLE A2
CONTINUED

Dependent variable outcomes	Most people of own religion can be trusted					
	Strongly disagree	Partly disagree	Disagree	Partly agree	Agree	Strongly agree
Illiterate	0.003 (0.004)	0.020 (0.025)	0.027 (0.032)	0.008 (0.008)	-0.014 (0.018)	-0.044 (0.051)
Low education	0.001 (0.003)	0.008 (0.020)	0.011 (0.028)	0.004 (0.009)	-0.006 (0.013)	-0.019 (0.047)
Income per capita	0.000 (0.003)	0.001 (0.020)	0.002 (0.028)	0.001 (0.009)	-0.001 (0.014)	-0.003 (0.046)
Trusting behaviour	0.001 (0.001)	0.006 (0.006)	0.008 (0.009)	0.003 (0.003)	-0.004 (0.004)	-0.014 (0.015)
Confidence index	-0.002** (0.001)	-0.010*** (0.002)	-0.014*** (0.003)	-0.005*** (0.001)	0.007*** (0.002)	0.023*** (0.005)
Religious participation	0.003 (0.002)	0.022 (0.014)	0.032 (0.021)	0.011 (0.008)	-0.014 (0.009)	-0.054 (0.036)
Member of voluntary association	0.001 (0.002)	0.010 (0.015)	0.013 (0.020)	0.004 (0.006)	-0.007 (0.011)	-0.021 (0.033)
Recent misfortune	0.001 (0.003)	0.007 (0.017)	0.010 (0.023)	0.003 (0.007)	-0.005 (0.012)	-0.016 (0.037)
Same religion	-0.001 (0.004)	-0.008 (0.024)	-0.011 (0.033)	-0.003 (0.011)	0.005 (0.017)	0.018 (0.055)
Pseudo R^2	0.067					
No. of observations	500					

Note: Standard error in parentheses. We control for enumerator effects, but the coefficients are omitted from the presentation.

Superscripts *, **, *** denote statistical significance at the 10%, 5%, and 1% level, respectively.

TABLE A3
ORDERED PROBIT REGRESSION ON STATED TRUST IN PEOPLE OF OTHER RELIGION: MARGINAL EFFECTS

Dependent variable outcomes	Most people of other religion can be trusted					
	Strongly disagree	Partly disagree	Disagree	Partly agree	Agree	Strongly agree
Hindu religion	-0.071** (0.032)	-0.076** (0.033)	0.003 (0.006)	0.041** (0.018)	0.034** (0.015)	0.070** (0.031)
Age	-0.012 (0.042)	-0.014 (0.046)	0.000 (0.002)	0.007 (0.024)	0.006 (0.020)	0.012 (0.041)
Age-squared	-0.001 (0.004)	-0.001 (0.005)	0.000 (0.000)	0.000 (0.003)	0.000 (0.002)	0.001 (0.004)
Illiterate	-0.009 (0.030)	-0.010 (0.034)	0.000 (0.001)	0.005 (0.018)	0.004 (0.015)	0.009 (0.031)
Low education	-0.031 (0.028)	-0.034 (0.029)	0.002 (0.003)	0.018 (0.016)	0.015 (0.013)	0.030 (0.026)
Income per capita	-0.016 (0.027)	-0.018 (0.030)	0.001 (0.002)	0.009 (0.016)	0.008 (0.013)	0.016 (0.027)

TABLE A3
CONTINUED

Dependent variable outcomes	Most people of other religion can be trusted					
	Strongly disagree	Partly disagree	Disagree	Partly agree	Agree	Strongly agree
Trusting behaviour	-0.024*** (0.008)	-0.026*** (0.009)	0.001 (0.002)	0.014*** (0.005)	0.012*** (0.004)	0.024*** (0.008)
Confidence index	-0.006** (0.003)	-0.006** (0.003)	0.000 (0.001)	0.003** (0.002)	0.003** (0.001)	0.006** (0.003)
Religious participation	0.036** (0.018)	0.042* (0.022)	0.001 (0.004)	-0.021** (0.011)	-0.019* (0.010)	-0.039* (0.021)
Member of voluntary association	0.032 (0.021)	0.032 (0.020)	-0.003 (0.004)	-0.018 (0.012)	-0.015 (0.009)	-0.028 (0.017)
Recent misfortune	0.004 (0.022)	0.005 (0.024)	-0.000 (0.001)	-0.002 (0.013)	-0.002 (0.011)	-0.004 (0.021)
Same religion	0.025 (0.030)	0.028 (0.034)	-0.001 (0.002)	-0.015 (0.018)	-0.012 (0.015)	-0.025 (0.031)
Pseudo R^2	0.061					
No. of observations	500					

Notes: Standard error in parentheses. We control for enumerator effects, but the coefficients are omitted from the presentation.

Superscripts *, **, *** denote statistical significance at the 10%, 5%, and 1% level, respectively.

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NOTES

1. An alternative experimental approach is to let social distance reflect the degree of anonymity between the experimenter and the subject (e.g. Hoffman *et al.* 1996), or between the subjects (e.g. Dufwenberg and Muren 2006).
2. In the original trust (or investment) game by Berg *et al.* (1995), the receiver was also given the same initial amount of money. The procedure adopted in this paper follows e.g. Glaeser *et al.* (2000), where the receiver was not given any initial money in the trust game.
3. In Johansson-Stenman *et al.* (2005), we used a sample that partly overlaps with the present one in order to analyse the effect of stake size in trust experiments. That sample consisted solely of Muslims, of which some played the games with smaller, and others with larger, stake sizes than in the present paper.
4. Here we grouped the stated trust question into only two levels in order to limit the number of explanatory variables.

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