

Social Capital and Preferences across Time: Trustlab Japan

Kohei Kubota (Chuo University)
Nobuyuki Hanaki (Osaka University)
Takahiro Hoshino (Keio University)
Fabrice Murtin (OECD) Masao Ogaki (Keio University)
Fumio Ohtake (Osaka University)
Naoko Okuyama (Yokohama National University)

May 17, 2023

Abstract

This paper compares measures of social and risk aversion preferences and social capital from online experiments across time. The three waves of a study with online experiments and surveys were conducted by the Trustlab Platform in Japanese, which is internationally comparable, that included for incentivized tasks for the trust game, the public goods game, the dictator game, and a lottery choice. The sample of the first wave was representative for income, wage, and sex, and invitations for the two subsequent waves were sent to participants of the first wave. We conducted the first wave of the study in January–February 2020 for a sample that is representative for income, age, and sex. The second wave was conducted in June–July 2020 and September–October 2021. This data set is the only data set which has both experimental and survey measures of trust for the same individuals for two or more points in time. For both measures, trust changes over time for more than 60% of the participants and the magnitudes of the average changes are economically large. For both measures, there is evidence that COVID-19 affected the changes, and that the changes in trust are correlated with the changes between the first two waves in some of the experimental measures of trustworthiness, altruism, reciprocity, and risk tolerance. For changes over longer periods between the first and third waves and between the second and third waves, the change in the experimental measure of trust are correlated with these

experimental measures except for risk tolerance. From these, models in which social capital such as trust affects social preferences are more consistent with our results than models in which exogenous outcome based social preferences are stable and independent of social capital. Such changes in trust over time for individuals are better measured in incentivized experiments rather than surveys.

Keywords: dictator game, trust game, public goods game, lottery choice

JEL Code: C90