



## EDELMAN TRUST BAROMETER 2017

### Crisis of Trust in post-Brexit Britain

Trust in Britain's core institutions is crumbling as people at all levels of society lose their faith in the system, research for the 17<sup>th</sup> Edelman Trust Barometer reveals.

In the weeks since Donald Trump rode a populist wave to the White House and doubts about the UK government's planning for Brexit first emerged, the confidence of Britons in government, business leaders and media "to do the right thing" has dropped from an already low mark.

In the results of a special, brand new UK supplement to Edelman's global Trust Barometer survey there was an unparalleled plunge in national confidence.

About 1,150 UK residents were questioned in October when the UK was one of 28 countries polled for the global survey, but another batch of research, unique to this country, was carried out on 1,500 people between December 23<sup>rd</sup> and January 9<sup>th</sup>.

In just those few weeks, Britons' trust in government fell from 36 per cent to 26 per cent, in business from 45 per cent to 33 per cent, and in the media from 32 to 24. Such a difference between the two snapshots is outside Edelman's previous experience of trust in the UK.

This is the first comprehensive data to track the rise of populism in post-Brexit-referendum Britain. The survey reveals dramatically weakening bonds at all levels of society and a fast-disappearing faith in politicians to reverse the process. The Edelman Barometer, covering 28 countries and more than 33,000 people, is the biggest global survey of trust.

The detailed findings show an unprecedented crisis of trust— shared across the Western world — in our faith that the systems underpinning society offer us a fair chance in life.

This predicament has grown much worse in recent weeks, with an acute sense of foreboding that 2017 will bring problems which UK politicians and business leaders cannot solve. Trust in leaders to lead or even to be honest with voters, is close to rock bottom with only Theresa May, the Prime Minister, enjoying limited immunity from a widespread malaise.

In the closing days of 2016 and first week of the New Year, the plunge in levels of trust in government, business and media to "do the right thing" suggests a country on a cliff edge, although the survey of 1,500 people implies that Brexit - the single greatest reason for uncertainty — is not the main cause.

Instead, the Trust Barometer finds a spiral of declining trust. Britons are expressing greater fear of factors beyond their control — immigration, the erosion of societal norms, the pace of technological change — which in turn lead them to believe society is no longer fair.

They have decreasing faith in political leaders or the corporate world to fix them, or in the media to report and analyse these trends accurately.

Ed Williams, chief executive of Edelman UK, said: "If we thought 2016 was bad, 2017 could be far worse. The virus that has understandably destroyed trust among those who feel let down by the system has now obviously spread. Even those who got richer after the financial crisis exhibit declining trust in the key pillars of society — politicians, business leaders, NGOs and the media."



Among the least well-off 25 per cent of the population, trust in government has fallen to just 20 per cent, one of the lowest figures ever recorded in the history of the Trust Barometer. This might not be surprising, but the sickly condition of trust seems to have infected even the wealthiest tiers of British society: last year 54 per cent of the wealthiest said they trusted government; this year that figure has plummeted to 38 per cent. A similar drop was recorded in the levels of trust the wealthiest felt in business to behave fairly.

Ed Williams added: “We are seeing the consequences of a lack of investment in trust over many years. We have to ask ourselves, if we actually want to preserve these institutions, what we should do: the answers will be complex, but one simple conclusion is that a top-down solution will not do. Government and business must learn to work with people, rather than just speaking to them.

“Last year, we talked about A Tale of Two Britains – those who felt life was fair and those who definitely did not. That played out in the split over Brexit. This year, we can see the gap widening as those who are worse-off financially and those just about managing are much more likely to say that the traditional systems of British life don’t work for them. Fair play feels like a thing of the past to many people.

“These are circumstances ripe for new leaders to emerge: they could be either progressive or reactionary. They might come from the political arena or even from the business world, but Brits are crying out for honesty, competence and above all fairness in their lives.”

### **Key Trust Barometer Highlights**

#### **LEADERSHIP**

The findings show that trust in current leaders – both political and business - has dropped alarmingly in recent months.

Apart from one politician, no major figure in the echelons of power convinced as much as one quarter of the population to regard them as trustworthy.

The sole exception is Theresa May, at 35 per cent, far more than the second most trusted figures, Boris Johnson on 24 per cent and Sadiq Khan, the Mayor of London, on the same number. Jeremy Corbyn scores 23 per cent, as does SNP leader Nicola Sturgeon with Nigel Farage, who stepped down as leader of UKIP last year, on 20 per cent. All other political figures fare worse.

But this is in the context of big falls in trust since last year, when Mr Johnson was on 37 per cent, Mr Corbyn and Ms Sturgeon on 28 per cent and the then prime minister, David Cameron, on 40 per cent. Asked about how much they trusted political figures to tell the truth, the British people gave their verdict damningly: Mr Cameron’s credibility fell from 34 per cent to 22 per cent and Mr Johnson 40 to 25, the same 15-point plunge as Mr Corbyn (38 to 23). Mr Farage and Ms Sturgeon’s credibility fell by 11 and 10 points respectively (31 to 20 and 33 to 23 respectively), showing that winning in their own terms has not inured them to a sharp fall in trustworthiness.

It may be considered a judgment on all politicians that Mrs May, who was trusted to “communicate honestly” by a mere third of respondents (33 per cent), was the most credible politician in Britain in this month’s Trust Barometer survey.



The business world fared badly too. British CEOs, their collective reputation battered by discontent over excessive pay, corporate malfeasance over tax and accounting, and the sense that they are managers not leaders, saw their trust level drop 12 points to 28%. Trust in corporate leaders dropped in all 28 countries Edelman surveyed.

## **BREXIT**

The single largest change since the Trust Barometer last reported 12 months ago has been Brexit. Analysis of how people feel six months later reveals a Tale of Two Britains.

This January's results show the UK are split over how the outcome has affected them, with 31 per cent saying they feel more confident about their future than before the referendum, 29 per cent unchanged and 36 per cent more worried. The rich, defined as people with incomes above £100,000 and £650,000 or more of disposable cash, were much more confident than the poor, defined as people on household incomes of less than £15,000, by a margin of 49 per cent to 33 per cent.

There was a consensus though, that having taken the plunge to leave Europe, UK leaders should press ahead with it. Some 58 per cent of the population said the result should be acted on. Only 22 per cent were in favour of a second referendum. Of those who voted to Leave, 87 per cent said they were sure of their vote six months later, with almost the same proportion of Remain voters, 88%, saying the same thing. Were the vote to be held again now, the result would be identical, within a fraction of a percentage point.

But the divide between Britons is very clear when Edelman asked what impact people believed Brexit would have on different aspects of national life.

On immigration, 41 per cent said leaving the EU would have a positive effect, but 30 per cent thought it would be negative. On the economy, 43 per cent thought Brexit would make things worse, with 39 per cent feeling optimistic. Asked about the effect on future generations, respondents came down 42 to 40 believing life outside the EU would be better, while there was an almost even divide on the effects on society as a whole (39 per cent positive, 37 per cent negative) and one's own future (33 to 37).

## **TRUMP**

If the UK is divided about the effects of Brexit on their lives, the same is decidedly not the case for the election of Donald Trump as the 45<sup>th</sup> President of the United States. Even before the furore over alleged intelligence reports about his links to Russia, the businessman-turned-politician had been given an overwhelming thumbs-down by the UK population.

Fewer than one in five thought he would have a positive effect on stability in the world, on the global economy, on the lives of our children in the UK, on British national finances, and society in general. Those who believed he would be bad for these aspects of life included: 66 per cent who thought Mr Trump would destabilise global politics; 59 per cent thought he would weaken the financial systems of the world; 57 per cent thought he would threaten the wellbeing of future generations; and 45 per cent who thought he would be bad for the UK economy and social order.

## **FAIRNESS**

Underpinning UK discontent is an unprecedented feeling that the "system is broken". In common with all other Western-style democracies surveyed for the Edelman Trust Barometer, the UK is suffering from an acute sense that life is not as fair as it used to be.



Just over one Briton in 10 believes that the system that runs our society is working for them. In all, 60 per cent said it was failing. This is, however, not the worst result globally: – in France and Italy 72 per cent had lost faith in society with only 6 and 4 per cent respectively saying the system worked for them. In Germany, where there are national elections this year, the situation was similar to the UK, with 62 per cent saying the system was broken and only 12 per cent content.

This loss of belief in traditional structures of society appears to be caused by growing fear of forces beyond our control. The level of concern about immigration, the erosion of society's customary values and the pace of change in life were all above the global average. This is not a pattern true in all Western countries – Poland and Germany, where perhaps memories of 20<sup>th</sup> century traumas are more influential, both recorded below average fear of such factors – but the UK has previously been less volatile in its attitude to its own social infrastructure.

## **BUSINESS**

Trust in business has fallen sharply in the past few months, even more than is the case for government and media, with a 12-point drop since the October survey to 33 per cent. CEOs have a credibility level of only 28 per cent compared to a global average of 37 per cent. The UK figure is 12 percentage points lower than last year. In some other countries, trust in CEOs has fallen by as much as 19 points.

Trust in business has been damaged by people's perceptions that senior executives are paid so much more than ordinary workers that no pretence at fairness in the workplace can exist. Schemes to avoid paying fair levels of corporation tax are also cited by respondents as a reason for reducing their trust in the business community.

Worries about immigration, automation and globalisation all contribute to negative attitudes to the corporate world. Seven in 10 Britons believe the government should impose trading restrictions to prevent job losses, and a similar number favour protectionism over economic growth. More than 75 per cent favour more aggressive regulation for the food and pharmaceutical industries.

There are signs in the Barometer that UK business can regain trust by taking a more positive role in society, but businesses need to learn to converse *with* their customers, communities and workers, not talk at them. Ordinary employees are once again revealed as the most credible spokespeople for companies and social media was favoured over advertising as a way of communicating with the outside world by a margin of 62:38.

## **MEDIA**

Trust in the media has fallen sharply again this year. At 24 per cent, it has only been lower in the aftermath of the phone hacking scandal of 2011.

There are very worrying signs for traditional media, with the proportion of people saying they regard familiar news organisations as reliable and trustworthy crashing from 55 per cent to 48 per cent. The number saying they mistrust social media sources has fallen by 7 percentage points, while those who see sites such as Facebook only as a route to traditional sources of news, have dropped by 10 points to just 32 per cent.

Edelman asks a question about how seriously the UK people take questions of journalistic ethics and, perhaps with fake news in mind, it has arisen as a spectre again: last year 37 per cent of people said



the behaviour of the media was less of a problem than it used to be; this year it was only 25 per cent.

More basic trends are at work which should concern journalists. Trust in information generally is shifting, so that this year 76 per cent of people said they would trust information that was leaked about a company more than an official press statement about it. Globally, 59 per cent said they preferred to have a computer algorithm choose stories for them rather than a human editor, a clear sign that the “bubble effect” of those who get their news from a very small and self-fulfilling series of sources is getting stronger.

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### **About Edelman**

Edelman is a leading global communications marketing firm, with more than 5,500 employees in 65 cities worldwide. Edelman partners with many of the world’s largest and emerging businesses and organizations, helping them evolve, promote and protect their brands and reputations. As the number one agency in the UK, a team of more than 550 brand, reputation and digital strategists drive award winning creative communication programmes. We have deep expertise in consumer trends, research, analytics and insights, corporate reputation, health, technology, crisis, energy, and government affairs.

Edelman has been awarded seven Cannes Lions including the Grand Prix for PR in 2014. Edelman has been voted Global Agency of the Year and Best Agency to work for 2013 by the Holmes Report and International Agency of the Year 2013 by the PRCA and is a 2015 Sunday Times Best Company to Work For.

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### **About Edelman Trust Barometer**

The 2017 Edelman Trust Barometer is the firm’s 17th annual trust and credibility survey. The survey was done by research firm Edelman Intelligence and consisted of 25-minute online interviews conducted on October 13<sup>th</sup> – November 16<sup>th</sup>, 2016. The 2017 Edelman Trust Barometer online survey sampled more than 33,000 respondents consisting of 1,150 general population respondents ages 18 and over and 500 informed public respondents in the U.S. and China and 200 informed public respondents in all other countries across 28 markets. All informed publics met the following criteria: college-educated; household income in the top quartile for their age in their country; read or watch business/news media at least several times a week; follow public policy issues in the news at least several times a week. A supplementary survey was done by research firm Edelman Intelligence and consisted of 15-minute online interviews conducted between 23 December, 2016 – 7 January 2017. The supplementary survey sampled 1,150 General Online Population respondents, with additional boosts of 250 Low Income Household respondents and 100 High Net Worth individuals in the UK. Low Income Household Individuals are defined as anyone with a household income under £15,000 per annum. High Net Worth Individuals are defined as those with a household income of £100,000 or more who also have liquid assets of more than £650,000 excluding property.

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