

Anti-Corruption and Political Trust: Evidence from China

Ming Fang

Weizheng Lai

Congling Xia *

This Version: January, 2024

Abstract

How can anti-corruption efforts influence political trust in government? We investigate this question through the lens of China's recent anti-corruption campaign, launched in 2013, which has disclosed many corruption investigations to the public for the first time. By analyzing a large individual panel dataset, we show that, on average, the campaign has significantly reduced political trust, particularly among groups less informed about corruption before the campaign. We document strong heterogeneity in changes in political trust, possibly driven by a pro-and-anti-government cleavage, as captured by previous unpleasant experiences with the government, pro-government indoctrination, and Confucian norms. Our results fit a model in which polarization is rationalized by different priors about the government. We also rule out several alternative explanations for our findings.

Keywords: Political Trust; China; Corruption; Anti-Corruption Campaign.

JEL Classification: D72; D73; D83.

*Fang: School of Economics, Jinan University (email: 94fangming@gmail.com). Lai: Department of Economics, University of Maryland (email: laiwz@umd.edu). Xia: School of Economics, Peking University (email: xiacl@pku.edu.cn).

1 Introduction

Political trust, i.e., people’s faith that the government will act in accordance with their interests,¹ has profound implications for regime legitimacy and state capacity. In a low-trust environment, citizens are less law-abiding and it is more difficult for the government to implement policy (Hetherington, 1998; Levi and Stoker, 2000; Zmerli, 2014), which can undermine institutional quality and socioeconomic development.² Corruption is one of the most salient threats to political trust (Seligson, 2002; Chang and Chu, 2006; Gingerich et al., 2009), and many governments attempt to win people’s hearts and minds by addressing corruption problems. As such, it is vital to understand how political trust interacts with efforts that aim to combat corruption.

Previous research on this interaction shows that trust facilitates the effectiveness of anti-corruption efforts (Bjørnskov, 2011; Kong et al., 2020). Related more closely to our inquiry, evidence from *democracies* suggests that revealing corruption lowers political trust, as captured by citizens’ weaker confidence in government and politicians’ electoral losses (Guriev et al., 2021; Ferraz and Finan, 2008). This paper attempts to investigate how anti-corruption affects political trust in *autocracies* (in this case, China), given that they often, perhaps surprisingly, have the most successful anti-corruption efforts (Carothers, 2022).

Our investigation builds upon a unique context: China’s 2013 anti-corruption campaign, initiated shortly after President Xi Jinping rose to power. This campaign was in part a moral mobilization that aimed to reassert the Communist Party of China’s (CPC) righteous image and earn public support (Javed, 2022), in the context of rising resentment about corruption since the earlier economic reforms (Wederman, 2004).³ As President Xi put it during an interview with the *Wall Street Journal*, “our Party owes its governing status to the support of the people... our people hate corruption more than anything else and we must act to allay their concerns” (Xi, 2015). Therefore, it is useful to investigate to what extent the campaign actually influenced political trust, as it offers a lens to study the formation of public opinion in an autocracy like China.

¹Here, we use the term “government” to refer to a political authority that holds power to influence policy, including political institutions and political leaders. Throughout the paper, we use “political trust” and “trust in government” interchangeably.

²On political support, the pioneering work by Putnam et al. (1993) argues that trustful citizens are more law-abiding and more engaged in civic affairs. Hetherington (1998) finds that political trust relates to support for the incumbent president. State capacity refers to a government’s ability to implement policy. The literature has demonstrated that political trust is highly relevant to state capacity. For instance, Sapienza and Zingales (2013) and Cullen et al. (2021) both find that trust in government affects the implementation of tax policy in the U.S. More recently, scholars have contended that political trust or identification with the nation facilitated success in combating the COVID-19 pandemic (Bollyky et al., 2022; Fukuyama, 2020; Rothstein, 2020; Van Bavel et al., 2022).

³There is debate on the anti-corruption campaign’s true intentions. Some argue that the campaign serves as a tool to consolidate power. However, power consolidation is unlikely the only goal, for several reasons. First, the campaign investigated millions of officials, most of whom were low-rank officials. It is unlikely that a leader would have so many opponents, especially at the bottom tiers of the government (Carothers, 2022). Second, the campaign included a range of institutional reforms, trying to rectify previous corrupt bureaucratic norms (Ang, 2020), a task outside the scope of a pure political purge. Third, even if power consolidation were a goal of the campaign, dealing with corruption should help as it would make the campaign welcomed by the populace. All in all, the anti-corruption campaign should represent some real efforts to eliminate corruption.

Indeed, this campaign was arguably China's most massive anti-corruption drive in the post-Mao era, as attested by the large number of officials subject to corruption investigations and the series of reforms implemented to reshape bureaucratic norms. Importantly, these anti-corruption efforts were extensively publicized, generating an influx of information about corruption to the general public. Given the discreet nature of corruption, at that point most Chinese people only had limited knowledge about corruption in government, so they may have used the new information on corruption to re-evaluate the government and update their political trust. However, it is not *ex-ante* clear in which direction this would change political trust, as different people are likely to read the same piece of information in different ways. Therefore, it remains an empirical question to identify the anti-corruption campaign's specific effect on political trust.

To guide our empirical investigation, we construct a simple model, following [Dixit and Weibull \(2007\)](#), to predict the heterogeneity of changes in political trust. The campaign offers *information* about corruption, from which a person can infer the government's honesty, which is linked to that person's political trust. However, there is a fundamental challenge in inference. Honest and corrupt governments can be observationally similar in terms of revealed corruption: a high level of corruption can be detected either because an honest government is willing and able to root out corruption, or because a corrupt government breeds rampant misdeeds. The ultimate judgment depends on a person's preferred *intepretation* that places different weights on two distinct inferences. Therefore, if a person is pro-government (anti-government), we predict that she will tend to read the campaign as indicating an honest (a corrupt) government, which enhances (lowers) her overall trust in government.

To empirically examine these predictions, we utilize a large, individual-level panel dataset based on the China Family Panel Study (CFPS). The panel data structure enables us to include individual fixed effects and thus track how an individual's trust varies as the anti-corruption campaign progressed. Specifically, our sample tracks political trust in 2012, 2014, and 2016, covering one pre-campaign period (2012) and two post-campaign periods (2014 and 2016). We merge the sample with data on city-level corruption investigations disclosed by anti-corruption authorities. Political trust is measured by trust in local government. We also collect rich individual and contextual characteristics to gauge the underlying mechanisms. Then, exploiting a combination of *temporal* and *regional* variation in corruption investigations, we implement a *difference-in-differences* strategy to estimate the anti-corruption campaign's effects on political trust. We present evidence in favor of our identifying assumption, which requires the trends in political trust to be similar between cities in the absence of the campaign (common trends). First, we show that conditional on province fixed effects, corruption investigations are orthogonal to predetermined factors that may drive the evolution of political trust, such as trust levels in 2012 and both the levels and growth rates of city characteristics. Second, using another survey dataset with more pre-campaign periods, we document a lack of differential pretrends in political trust between high- and low-investigation

cities.⁴

Our main results imply that, on average, political trust dropped immediately following the anti-corruption efforts. In 2014, a one-SD (= 38) increase in corruption investigations made an average individual 2.2 percentage points less likely to be trustful of the government. Although the effect was not as pronounced in 2016, further analyses indicate that the null average effects conceal intriguing heterogeneous effects. The campaign increased the level of political trust among highly educated individuals while decreasing it among those with lower levels of education. The main results are robust to a battery of robustness checks. First, they are virtually the same even if we control for trends related to previous corruption levels or to province-by-year fixed effects, suggesting the plausibility of the common trends assumption. Second, we show that the impacts of the anti-corruption campaign are robust to other contemporaneous shocks and policies that may also influence political trust as indicated by previous studies. Third, a permutation test confirms that our findings are unlikely to arise by chance. Lastly, we show that our results are robust to using an alternative estimator proposed by recent econometric literature on difference-in-differences designs with a continuous treatment variable (Callaway et al., 2021; de Chaisemartin et al., 2022).

Beyond identifying the anti-corruption campaign's average effect on political trust, we also detect slight polarization. After the campaign, significantly fewer people hold a moderate level of trust in government. Instead, there are substantially more people with a very low level of political trust and slightly more people with a high level of political trust. These patterns echo our simple model's view that the campaign could have heterogeneous effects on political trust, since people interpret the same information brought by the campaign differently, depending on their priors about whether the government is honest or corrupt.

To shed light on this view, we first show that the campaign was indeed informative. A testable implication of informativeness is that the campaign's effects on political trust ought to be more pronounced in scenarios where information about corruption was previously more limited. Tellingly, we show that the drop in political trust is greater for those respondents who did not pay attention to corruption news, and in provinces where corruption news was more covered up and diluted due to internet censorship and propaganda, indicating the campaign's informativeness.

Furthermore, we provide evidence that the pro-or-anti-government cleavage drives different interpretations of information about corruption, which then bifurcates changes in political trust. We start by considering unpleasant experiences with government officials as direct determinants of individuals' priors, as these memories may make people develop anti-government sentiments. We find that people with unpleasant experiences indeed lower their trust to a greater extent after the campaign, indicating that they read corruption investigations as a sign of a corrupt government, confirming their negative impression of that government.

⁴We are unable to conduct this pretrends check in the CFPS sample since we only have one pre-campaign period (2012).

We also probe into the role of education as an indirect determinant of attitudes towards the government. A large body of literature on state-building has stressed education's indoctrination function (e.g., Ramirez and Boli, 1987; Lott, 1999; Aghion et al., 2019). Particularly in an autocracy like China, education is leveraged as a tool of cultivating pro-government attitudes (Lott, 1999; Cantoni et al., 2017; Qi et al., 2022). Tellingly, our results highlight a decreasing relationship between education and declines in political trust: more educated people lower their trust to a lesser degree or even enhance it, especially those who are college-educated. These results are not driven by socioeconomic status, which is traditionally associated with education, possibly substantiating education's unique role in crafting attitudes. We supplement this interpretation by documenting that education's impacts are more pronounced in more Confucian cities, where pro-government indoctrination could be more successful since Confucianism features similar norms (Acemoglu and Robinson, 2020, 2021b).

Finally, we rule out several alternative explanations for our findings. First, one concern is that political trust may have been lowered because anti-corruption crackdowns resulted in turmoil, undermining government performance (Wang, 2022). However, we find that the campaign does not influence people's perceptions of government performance, at least in the period under study. Second, the drop in political trust could be a consequence of changes in general trust, whether resulting from the campaign or from President Xi's other reforms that are correlated with the campaign. This appears unlikely, however, as we find that the campaign had null effects on individuals' trust in other groups (e.g., parents, strangers, and Americans). Third, one may conjecture that people would naturally report lower trust following the campaign, as they now think it is more legitimate than before to criticize the government, given that the government itself voluntarily disclosed scandals. Though we cannot fully rule out this possibility, we show that it is not the main driver of our story — the results survive, and are even more pronounced, if we exclude those who tended to see criticizing the government as taboo before (due to deference or fears) and so are more likely to lower their reported trust mechanically after the campaign. Taken together, our results are best explained by people updating their political trust (heterogeneously) upon receiving information about corruption provided by the campaign.

This paper contributes to several strands of literature. First and foremost, it joins the burgeoning literature on trust in general (Arrow, 1972; Algan and Cahuc, 2010, 2014) and political trust in particular. Due to political trust's importance to a well-functioning government, voluminous studies have been devoted to understanding its formation, in which information about government performance is often considered a key factor (e.g., Chen and Yang, 2019; Saka et al., 2022; Khan et al., 2021; Shi, 2001). The link between corruption and political trust has received similar attention in this strand of literature. For instance, by analyzing a large cross-country dataset (including China), Guriev et al. (2021) show that increasing revelation of corruption scandals, induced by the expansion of 3G networks, reduces citizens' political trust on average, though interestingly they only find this effect in countries with uncensored internet. A major distinction between our papers is that in their context, citizens disclose corruption through social media, while in ours the

government itself discloses corruption. We show that even *government-disclosed* information about corruption could also lead to a drop in political trust, and the drop is amplified by preexisting internet censorship, which complements [Guriev et al. \(2021\)](#). In addition, corruption is specifically associated with trust in crucial ways. Unsurprisingly, corruption has been documented to reduce general trust ([Banerjee, 2016](#)) and political trust ([Anderson and Tverdova, 2003](#)). But trust also affects corruption: [Bjørnskov \(2011\)](#) shows that legal quality is more effective at reducing corruption given a higher level of social trust. This paper adds to the literature on the interrelationship between corruption and (political) trust by discussing the effects of unveiling information about corruption and efforts to reduce corruption on political trust, and how the effects critically depend on citizens' priors.

Another paper closely related to ours is [Wang and Dickson \(2022\)](#). Based on surveys conducted before and after China's anti-corruption campaign, they similarly find that the campaign reduces political trust, which they contend is because people were shocked by the great amount of corruption in government and updated their beliefs to discredit the government. We enhance these insights in two significant ways. First, we improve the identification. [Wang and Dickson \(2022\)](#)'s analysis relies on a repeated cross-sectional dataset, so they compare two different groups of individuals over time. If there were compositional changes in survey respondents after the campaign, this could bias their results. Also, they have to make the strong assumption that political trust measures are comparable between both sets of respondents. By contrast, we use a panel dataset to circumvent these concerns: a fixed group of individuals is studied, and by including individual fixed effects we trace how individuals' political trust evolves over time, ensuring better comparability. Second, we provide a more comprehensive view of the underlying mechanisms. [Wang and Dickson \(2022\)](#)'s argument is embedded in the informativeness channel of this paper: the campaign offers information for people to re-evaluate the government. They implicitly assume that people interpret this information negatively, leading to lower political trust. By contrast, we propose and provide some evidence that interpretations could differ due to the pro-or-anti-government cleavage. In this regard, we also offer, to the best of our knowledge, the first evidence of political polarization in China.

Besides trust, we also add to the literature on public opinion and political support at large. Existing studies have documented many ways in which information and government policies influence the electorate ([Farzanegan and Hofmann, 2021](#); [Enikolopov et al., 2018](#); [Chong et al., 2015](#); [Bechtel and Hainmueller, 2011](#); [Manacorda et al., 2011](#); [Zucco, 2013](#); [Hong et al., 2022](#)). We investigate the effects of information from anti-corruption efforts on public opinion in a non-electoral context, providing causal evidence on the impacts of government policies on political support in authoritarian regimes.

Last but not least, this paper relates to the growing interest in China's anti-corruption campaign. Previous research predominantly focuses on the campaign's impacts on government officials' behaviors, such as rent seeking ([Chen and Kung, 2019](#); [Ding et al., 2020](#); [Kong et al., 2020](#)), work

incentives (Wang, 2022), and bureaucratic appointments (Wang, 2022). Few have examined citizens' responses, though notable exceptions include Jiang (2016) and Lai and Li (2023), who investigate the campaign's impacts on labor supply to bureaucracy. The current paper offers insights into how the campaign affects people's trust in government, a topic too important to miss given that the campaign is in part intended to garner support. Very interestingly, Kong and Qin (2021) find that the anti-corruption campaign increases entrepreneurship, and that the effects are larger in regions with a higher level of trust. Their finding points to the importance of trust in economic dynamism, particularly in the anti-corruption context. This paper brings a new perspective to this question: anti-corruption can directly affect trust, which in turn may either amplify or weaken the joint effects of anti-corruption efforts and trust on entrepreneurship or other economic outcomes, depending on the direction of the impacts of anti-corruption on trust.

The rest of this paper proceeds as follows. Section 2 introduces the background and provides a conceptual framework that guides our investigation. Section 3 presents the data. Section 4 introduces the empirical strategy. Section 5 reports the main results, followed by Section 6 discussing the underlying mechanisms. Section 7 concludes the paper.

2 Background and Conceptual Framework

In this section, we first introduce the main features of the anti-corruption campaign. Then, we build a conceptual model to illustrate how the campaign may influence political trust.

2.1 The Anti-Corruption Campaign

In 2013, shortly after President Xi Jinping took office, the Chinese government initiated an unprecedented anti-corruption campaign. Its onset was marked by President Xi's directive in the Second Plenary Session of the Eighteenth Central Commission for Discipline Inspection, January 2013. This campaign was arguably the greatest anti-corruption drive in the post-Mao era (Chen and Kung, 2019; Ang, 2020; Carothers, 2022) due to several features.

First, the campaign is a prolonged, massive mobilization. Past campaigns were dramatic but short. In contrast, President Xi's anti-corruption campaign is unusually long and in fact is still proceeding as of 2023. In the campaign, all levels of anti-corruption bureaus make their own efforts to detect and punish corrupt officials. For instance, the well-known central inspections only reached entities administered by the central government, e.g., provincial governments, ministries, central state-owned enterprises, and so on. Local anti-corruption bureaus also conduct inspections in their jurisdictions (Wang, 2022; Chen and Zhong, 2020; People's Daily Online, 2023; Guangzhou CCDI, 2017).

Second, the campaign has featured strict enforcement, punishing thousands of officials at all

levels of the government. Notably, many of the investigated officials were high-ranking officials who often got leniency in the past.⁵ For example, the campaign purged Zhou Yongkang, a former member of the Politburo Standing Committee, the most powerful body in the Chinese government.

Third, the campaign was influential beyond the political arena. Existing research has documented the campaign's influence on a wide range of issues, including rent-seeking of local officials (Chen and Kung, 2019), firm performance (Ding et al., 2020; Kong et al., 2020), and labor supply to the bureaucracy (Jiang et al., 2020; Lai and Li, 2023).

Given its high-profile nature, the campaign received a blaze of publicity. All of China's media outlets reported the campaign's achievements (e.g., the number of corruption investigations conducted, improvements in bureaucratic work ethics) and covered prominent stories about corrupt officials (Wang and Dickson, 2022; Zhuang, 2022). Notably, WeChat, China's most popular social media with 1.1 billion users as of 2021, established a database that assembled all the disclosed information about government corruption, offering easy access to its users. Taken together, this campaign created an unprecedented influx of information about corruption, enabling many people to learn more about what used to be secret.

2.2 Conceptual Framework: Anti-Corruption and Political Trust

Political trust is people's belief that the government will act in accordance with their interests (Hetherington, 1998; Levi and Stoker, 2000; Zmerli, 2014). In forming political trust, people make judgments using available information about several aspects of government performance. Important among them is corruption, since it could harm public interests severely and since people ought to be concerned about whether their government is honest.

Therefore, as the anti-corruption campaign distributes a great amount of information about corruption to the public, people may use it to (re-)evaluate the government and update their political trust. However, it is not *ex-ante* clear how political trust responds to the anti-corruption campaign, since different people could interpret the same piece of information in different ways. To fix these ideas, we build a simple model in the spirit of Dixit and Weibull (2007) to consider the (heterogeneous) impacts of the anti-corruption campaign on political trust.⁶

Model. Suppose that individual i 's political trust depends on government honesty, s .⁷ Although s is not directly observed, one can infer it from x , their information about corruption, which is

⁵The campaign was alleged to punish all corrupt officials, regardless of their seniority. In President Xi's own words, the campaign aimed to "*crack down on both tigers [high-rank officials] and flies [low-rank officials]*" (Xi, 2015).

⁶Dixit and Weibull (2007)'s original model aims to explain why people's opinions on monetary policy polarize even though they observe the same economic conditions, e.g., inflation. They suggest that people rationally update their beliefs about the real state of the world and form policy opinions in a Bayesian fashion. However, different priors make people weight inferences from the same information differently in the process of belief updating, leading to polarization.

⁷To substantiate our focus on the impact of corruption, we abstract away from the reality that political trust also depends on other factors. Nonetheless, our subsequent empirical analysis takes into account alternative channels through which political trust is influenced (see Section 6.3).

increased by the anti-corruption campaign. Individual i has her own priors about s and x , denoted by \bar{s}_i and \bar{x}_i . Given the anti-corruption campaign's unprecedented nature (see [Section 2.1](#)), we assume that it reveals government corruption more thoroughly than expected, i.e., $x > \bar{x}_i$.

Inferring s from x relies on their functional relationship. We suppose that individual i perceives the following relationship:

$$x = \bar{x}_i + |s - \bar{s}_i|. \quad (1)$$

That is, individual i considers the difference between observed information about corruption revealed by the campaign and their priors of the level of corruption, $x - \bar{x}_i$, to be due to the deviation of unobserved government honesty from her priors, $s - \bar{s}_i$. Thus, she can extract knowledge about s upon observing x . However, it is worth noting that the relationship between x and s is not monotonic. Specifically, each x is compatible with two opposite narratives: (i) s is high — an honest government is able and willing to combat corruption, or (ii) s is low — a corrupt government breeds rampant misdeeds.

Such non-monotonicity makes it challenging for an individual to identify the underlying s . As illustrated by [Figure 1](#), when an x is observed, individual i can draw two inferences about the level of government honesty, s :

$$s_i^h = \bar{s}_i + (x - \bar{x}_i) \quad (2)$$

$$s_i^c = \bar{s}_i - (x - \bar{x}_i), \quad (3)$$

where s_i^h refers to an honest government but s_i^c corresponds to a corrupt government. A Bayesian individual would draw her ultimate inference of s by weighting s_i^h and s_i^c . The weights depend on an individual's preexisting belief about whether the government is honest or corrupt. Let $p_i \in [0, 1]$ denote individual i 's believed probability that the government is honest, while $1 - p_i$ denotes her believed probability that the government is corrupt. Despite its authoritarian system, such a pro- or anti-government cleavage exists in modern China's ideological spectrum ([Pan and Xu, 2018](#)).⁸

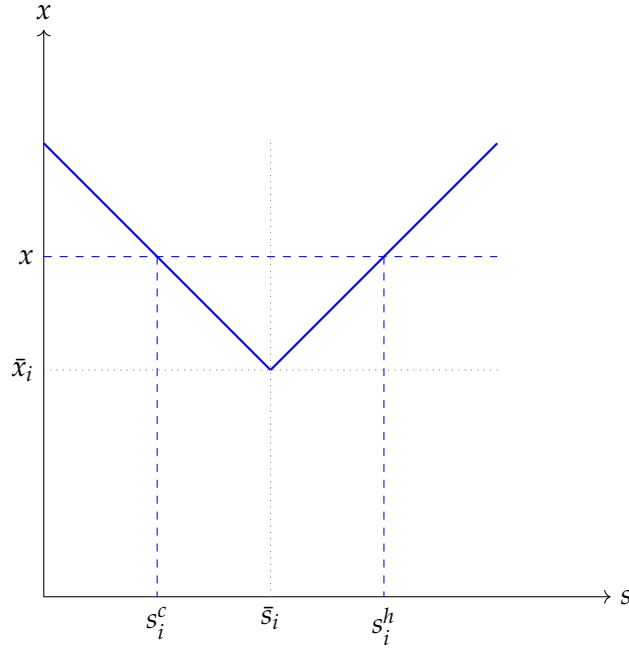
Therefore, upon receiving information about corruption, x , individual i revises her perceived government honesty and thus her political trust. This process is captured by her posterior \tilde{s}_i , which is determined in the following way:

$$\tilde{s}_i = p_i s_i^h + (1 - p_i) s_i^c \quad (4)$$

$$\Delta s_i = \tilde{s}_i - \bar{s}_i = \underbrace{(x - \bar{x}_i)}_{\text{informativeness}} \times \underbrace{(2p_i - 1)}_{\text{interpretation}}. \quad (5)$$

⁸As noted by previous literature, the ideological spectrum may have multiple dimensions (e.g., liberalism, nationalism, market economy, etc.) or reflect socioeconomic differences across groups. As such, the pro- or anti-government cleavage may correlate with or result from cleavages in other dimensions and differences in a range of attributes. In this regard, the pro- or anti-government cleavage should be interpreted as a reduced-form representation of underlying factors that make people's ideologies differ. In [Section 5](#), we analyze several important factors.

Figure 1: Relationship Between x and s



Inspecting [Equation 5](#) indicates that the anti-corruption campaign, by increasing x , would influence political trust differently across individuals. How and how much the campaign changes one's political trust, i.e., the sign and magnitude of Δs_i , depends on two factors. The first one is the *informativeness* of the anti-corruption campaign, $x - \bar{x}_i$. Holding p_i constant, political trust would vary more significantly if the campaign offers more information about corruption than what individual i had anticipated. However, it is unclear whether such informativeness would increase or decrease political trust, since different people may process the same information differently. This points to a second critical factor — an individual's *interpretation*, $2p_i - 1$. Conditional on informativeness, a relatively pro-government individual ($p_i > 1/2$) would enhance her trust, i.e., $\Delta s_i > 0$, since she overweights s_i^h , the inference aligned with her prior that the government is honest and catches many corrupt bureaucrats. By contrast, a relatively anti-government individual ($p_i < 1/2$) would lower her trust, i.e., $\Delta s_i < 0$, because she overweights s_i^c that considers a high x as confirming her prior that the government is corrupt. The following proposition summarizes the heterogeneous effects of the anti-corruption campaign on political trust.

Proposition 1. *By revealing unanticipated information about corruption, $x > \bar{x}_i$, the anti-corruption campaign increases (decreases) political trust among individuals who hold priors that the government is honest (corrupt), i.e., $p_i > 1/2$ ($p_i < 1/2$), and the increase (decrease) is greater if the campaign is more informative, i.e., $x - \bar{x}_i$ is larger.*

Remarks. In the model, we have made a simplifying assumption: the anti-corruption campaign (x) affects political trust by intervening in perceived government honesty (\bar{s}_i). However, it is likely that the campaign or other contemporaneous shocks operate through other channels, such as

government performance and general willingness to trust. Our empirical investigations take into account alternative explanations of the campaign’s impacts on political trust (see [Section 6.3](#)).

[Proposition 1](#) underscores the importance of informativeness and interpretation in shaping political trust changes, advancing the previous literature’s insights ([Wang and Dickson, 2022](#)) in two main directions. First, we allow for flexibility in people’s interpretations of information about corruption. [Wang and Dickson \(2022\)](#) similarly contend that people would use information about corruption brought by an anti-corruption campaign to update political trust. However, they hypothesize that the campaign should *suppress* political trust, since people would be shocked by the many corruption scandals and become pessimistic about officials’ integrity (their Hypotheses 1 and 2). Thus, they implicitly assume that people *negatively* interpret corruption disclosed by the campaign, an assumption which may not be warranted for the entire population. Second, we enrich the role that priors play in shaping the campaign’s impacts. In [Wang and Dickson \(2022\)](#), priors govern the campaign’s informativeness and then lead to heterogeneity in impacts: they argue that the campaign should have a smaller (larger) effect of reducing political trust if an individual had more (less) knowledge of government corruption previously (their Hypothesis 3). Our framework embeds this informativeness channel through the term $x - \bar{x}_i$ in [Equation 5](#). Moreover, with the term $2p_i - 1$ in [Equation 5](#), we consider the possibility that priors can bifurcate opinions regarding the same information. This is not rare in politics, as documented by the massive literature on public opinion and political polarization ([Adena et al., 2015](#); [Bullock, 2009](#); [Bisgaard, 2015](#); [Bisgaard and Slothuus, 2018](#); [Spenkuch et al., 2021](#); [Gerber and Green, 1999](#)).⁹

[Proposition 1](#) guides much of our subsequent analysis. We first investigate the anti-corruption campaign’s effect on an average individual’s political trust. Then, we probe into two underlying mechanisms implied by [Proposition 1](#): informativeness and interpretation.

2.3 Local Government versus Central Government

For simplicity, our model does not distinguish between the local and the central governments. Our subsequent empirical investigation concentrates on people’s trust in *local* government, because in the household surveys we use, only trust in local government is available.

As both local and central governments are actors in the anti-corruption campaign, we view this as a useful exercise to study citizens’ attitudinal response when the government acts to combat corruption.

Because the local government is part of the regime, how people view it may ultimately translate into opinion on the central government. Relatedly, [Chen and Yang \(2019\)](#) find a strong correlation between trust in local and central governments, suggesting that to some extent, examining how

⁹For instance, [Adena et al. \(2015\)](#) document that Germans with high (low) anti-Semitic predispositions were persuaded (dissuaded) by Nazi propaganda. [Gerber and Green \(1999\)](#) argue that “observers with different preconceptions interpret the same piece of evidence in ways that conform to their *initial views*.”

trust in local government changes might inform us about changes in general political trust. Moreover, even if trust in higher-level sections of the Chinese state were surveyed, trust in local government might arguably provide the most useful data, since it is more tolerated to criticize the local government than higher-level sections (Lorentzen, 2014; King et al., 2013; Qin et al., 2017).¹⁰

In addition, it is more empirically feasible to study the campaign's causal effect on trust in local government as opposed to trust in central government. As already mentioned above, it is difficult to obtain reliable information about people's attitude toward the central government from household surveys. Even with the desired information, as in Wang and Dickson (2022), the empirical challenge arises because trust in central government is not solely affected by a locality's anti-corruption efforts; it is very likely that an individual's attitude toward central government is affected not only by (anti-)corruption in her region but also by that in all other regions or, more generally, the overall (anti-)corruption in China. Thus, a more sophisticated methodology would be necessary to identify the anti-corruption campaign's effect on trust in central government. In contrast, it is more plausible to leverage local variation in anti-corruption to study changes in trust in *local* government.

Nonetheless, we concur that it is crucial to understand how the anti-corruption campaign affects trust in central government; it is also possible that the same event could affect trust in central government differently than trust in local government (Lü, 2014). We leave this for future research.¹¹

3 Data

3.1 Local Information about Corruption

We hypothesize that the anti-corruption campaign could affect political trust since it results in an influx of information about government corruption. To empirically examine this hypothesis, we need to measure the amount of information available to people.

We first measure the regional variation in information about corruption, using a comprehensive database of virtually *all* the corruption investigations disclosed by the anti-corruption authorities between 2011 and 2016 (Wang and Dickson, 2022).¹² The database was developed by China's

¹⁰One piece of anecdotal evidence is from the China General Social Survey (CGSS), which did elicit trust in both local and central governments between 2010 and 2012. Only 3.71 percent of respondents reported distrust in the central government, marking a sharp contrast to the 15.53 percent of respondents were distrustful of the local government. In addition, the response rate for trust in central government was 20 percentage points lower than that for trust in local government. Taken together, it is likely that people are more outspoken when judging the local government than when judging the central government. However, one needs to take this assertion with caution: perhaps the central government is genuinely more trustworthy. We do not use CGSS our analysis since due to unknown reasons, it stopped eliciting political trust after 2012, around the time of the anti-corruption campaign.

¹¹It is also cautioned when generalizing our results for trust in local government to the case of trust in central government.

¹²See <https://dataverse.harvard.edu/dataset.xhtml?persistentId=doi:10.7910/DVN/9QZRAD> for further

internet tycoon, Tencent, and it was widely circulated over Tencent’s WeChat, the most popular social media in China, with over 1.1 billion users in 2021. In the database, people can easily check which officials have been investigated in their cities and access related stories. Therefore, people can be well exposed to information brought in by the anti-corruption campaign. More importantly, by building upon official sources, the database arguably includes the majority of publicly available information about corruption in Chinese society, across possible transmission channels (e.g., news reports, internet, and word of mouth).¹³

The majority of investigated officials, unsurprisingly, are local officials.¹⁴ We compute the cumulative number of corruption investigations for each city p as of time τ , starting from 2011, denoted by D_p^τ . When constructing this measure, we exclude investigated officials who were not working for the city government. Due to the campaign’s publicity and the database’s popularity and coverage, we consider D_p^τ a proxy for the amount of information about corruption received by local people.

Figure 2 presents a monthly series of cumulative corruption investigations at the national level. There were barely any corruption investigations disclosed before President Xi’s anti-corruption campaign. Immediately after the campaign’s onset in January 2013, however, corruption investigations sharply increased, and the increase halted in 2016. This trend confirms that the campaign did lead to the disclosure of a great amount of information about corruption.

3.2 China Family Panel Study Sample

3.2.1 Sample Construction

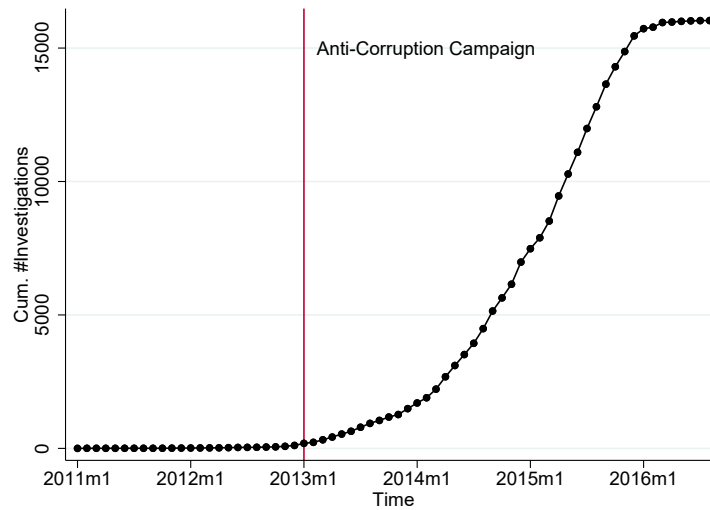
We conduct an analysis relying on the China Family Panel Study, a nationally representative biennial household survey starting in 2010. We construct a *balanced panel dataset* using the CFPS data from 2012, 2014, and 2016, as starting in 2012 the survey included questions on political attitudes. We elicit some measures from the 2010 survey. Our sample only includes individuals who (i) responded to all three waves of surveys, (ii) were born between 1950 and 1990, and (iii) never migrated between 2012 and 2016. These restrictions allow us to concentrate on a fixed group of individuals who are mature enough to form meaningful political attitudes, and they also enable us to correctly match city-level information about corruption. We end up with a balanced panel dataset with 11,950 individuals from 121 cities, all of whom were consecutively surveyed in 2012, 2014, and 2016. We discuss the main variables below. Summary statistics are reported in Table 1.

details about the dataset (last accessed on May 17, 2020).

¹³The information circulated through other channels can be ultimately reflected by official sources that are then collected by the database.

¹⁴We categorize local officials as individuals holding a rank no higher than that of a county head (*Chuji*). In our dataset of anti-corruption investigations, 95% of the cases involve local officials. According to the Central Commission for Discipline Inspection (CCDI), of all officials investigated between 2012 and 2021, 97% are local officials (source: www.xinhuanet.com/politics/2021-06/28/c_1127606652.htm).

Figure 2: Time Series of Cumulative Investigations



Note: Data from the Tencent database (Wang and Dickson, 2022). The vertical line marks the onset of the anti-corruption campaign (January 2013).

3.2.2 Political Trust

Measurement. CFPS elicits political trust based on the following question:

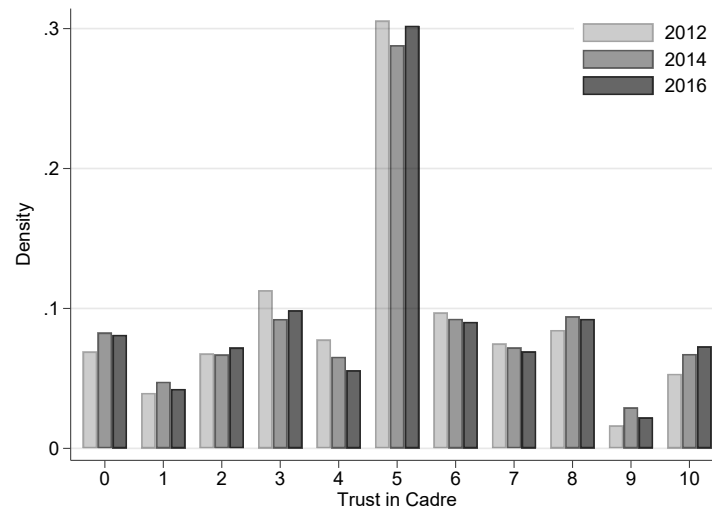
Please rate to what extent you trust the local government cadres. Answers range from 0–10 (0 = lowest trust, 10 = highest trust).

Figure 3 displays the distribution of the political trust score by year. The distribution is bell-shaped: responses pool in the middle of the scale (mean, median ≈ 5), which is not uncommon in the literature on trust or public opinion more broadly (Gaziano and McGrath, 1986; Petty and Krosnick, 2014; Allen and Birch, 2015).¹⁵ To break ties in judgment and to capture unambiguous political trust, we create a dummy variable for high-level political trust, which equals one if the reported score is greater than or equal to 5. Note that this formulation adopts a relatively conservative definition of *distrust* (for a score ≤ 4), creating a more powerful test for whether the anti-corruption campaign has lowered political trust.

Validity. Due to the self-reporting nature of the CFPS, there may be concerns about the validity of our measure of political trust. People may still be reluctant to report their political trust truthfully, despite the fact that the trustee is local government and that it is legitimate for respondents to be more outspoken (as discussed in Section 2.3). Were such misreporting salient and associated with underlying determinants of corruption investigations, our results could pick up a spurious impact

¹⁵There are several possible reasons for this “overstuffed middle” problem (Allen and Birch, 2015). It could mean that respondents are indeed centrist, that they do not have the information or knowledge to make a deterministic judgment, or that they are ambivalent.

Figure 3: Distribution of Political Trust



Note: Data from CFPS of 2012, 2014, and 2016.

of the anti-corruption campaign on political trust. However, our design and results try to alleviate this self-censorship concern in several ways.

First, the item response rate for the question on political trust is high (e.g., 96.75% in 2012), indicating that it is unlikely for people to be intimidated into silence. In addition, Figure 3 shows that the distribution of political trust is not skewed towards “politically correct” high trust, and many respondents reported low trust.

Second, our political trust measure exhibits reasonable patterns with high internal consistencies. Appendix Figure A1 correlates pre-campaign political trust (measured in 2012) with *predetermined* negative experiences with local governments (measured in 2010). As expected, political trust is lower for respondents who had been unfairly treated by local cadres, had conflicts with cadres, encountered slack cadres, or had been asked for bribes. Moreover, Figure A2 shows that higher political trust is strongly associated with more (peaceful) political engagement. Specifically, a trustful individual is more likely to vote in grassroots elections (in line with Tao et al., 2011), and she is more prone to resolve dissent (if any) via petitions rather than protests. Figure A2 also shows that higher political trust has led to more optimistic evaluations of China’s social governance in terms of handling challenges from corruption, environmental issues, inequality, etc.

Third, the panel data structure enables us to include individual fixed effects, which removes any individual-invariant heterogeneity. This would largely purge misreporting if it is relatively stable, which may be plausible given that we have a six-year short panel. In our empirical investigations we also flexibly control for differential trends in political trust, to absorb possible time-varying reporting patterns (see Section 4).

Besides self-censorship, another concern is about the comparability of our political trust

measure. This is especially concerning in studies using cross-sectional or repeated cross-sectional data, which have to assume that the trust measures are comparable between different individuals and/or times. However, the panel structure enables us to get around this problem. First, we are able to trace changes in political trust within the *same* individual. Second, we can avoid disturbances from compositional changes. Repeated cross-sectional studies have to contrast different (and likely incomparable due to selection into survey response) individuals over time. But if people self-select into and out of response groups because of the anti-corruption campaign, it is unclear how the campaign causes a change in political trust. By contrast, the panel data concentrate on a fixed group of individuals.

3.2.3 Additional Variables

Besides corruption investigations and political trust, [Table 1](#) presents rich variables that we collect from CFPS as well as other sources. We briefly describe them below and will introduce them in greater detail when they become pertinent to our analysis.

Attitudinal Variables. As shown in Panel (B), we include trust in other groups (parents, strangers, and Americans) and perceived government performance, which helps us pin down accurate interpretations of our results ([Section 6.3](#)).

Experiences with the Government. To investigate the underlying mechanisms ([Section 6](#)), we exploit information about individual experiences with the government: whether respondents have been unfairly treated by local cadres, had conflicts with cadres, encountered slack cadres, and have been asked for bribes (see Panel (C)).

Covariates. Our sample also contains a range of individual characteristics (see Panel (D)) including birth cohort, gender, Han ethnicity, *hukou* status, Communist Party membership, educational attainment, employment in state sectors, parental educational attainment, and parental Communist Party membership. All of them can be conducive to the formation of political trust.

Other Variables. Panel (E) presents several variables we use for robustness checks and for disentangling different mechanisms. We provide a description of them below in order of Panel (E).

Past Corruption. To measure a city's past level of corruption, we use the ETC index proposed by [Cai et al. \(2011\)](#). ETC refers to Chinese firms' spending on entertainment and travel costs, amenities which are commonly used to bribe government officials. Therefore, the literature has used ETC as a proxy for local corruption in China (e.g., [Fang et al., 2019](#)). [Cai et al. \(2011\)](#)'s ETC indices (share of ETC) available in 2002, 2003, and 2004. We take the three-year average as a measure of a city's past level of corruption.

Attention to Corruption News. The CFPS 2010 survey asks individuals if they have ever paid attention to news about corruption. We code people's answers into a dummy variable.

Internet Censorship and Propaganda. The anti-corruption campaign offers information about

corruption which used to be unavailable to the public. To capture to what extent such information has been blocked, we use [Qin et al. \(2017\)](#)’s measures of censorship and propaganda at the provincial level: the share of deleted Weibo posts (Weibo is “Chinese Twitter”) and the share of government users on Weibo.

Confucianism. Confucian philosophy has enduring influences on China’s political traditions ([Bell, 2010](#); [Jiang, 2016](#); [Pan and Xu, 2018](#)). To gauge its implications for political trust, we use the number of Confucian temples (in log form) to capture the city-level Confucian norms, following previous literature ([Kung and Ma, 2014](#); [Chen et al., 2020](#); [Alm et al., 2022](#)).

Special Background. Some special backgrounds may have unique impacts on individuals’ political attitudes and behaviors. We take into account three types of backgrounds. First, military services could foster loyalty to the state, which may spill over to others in the family. So, we code an individual to have such a background if anyone in her family has ever served in the military. Second, people may see criticizing the government as a taboo if they or a family member were purged in the Communist Revolution (1950s) or the Cultural Revolution (CR, 1966–76). Based on experiences elicited in the CFPS 2010 survey, we create a dummy variable that equals one if one’s family was purged in these Revolutions.¹⁶ Third, witnessing intense state violence can also lead to fears of criticizing the government. The Cultural Revolution was the most violent episode in China’s modern history. Therefore, we create a dummy variable that equals one if the respondent is from a city with above-median CR casualties (data from [Walder, 2014](#)), or if she experienced the CR during the “impressionable years,” the critical period for the formation of political attitudes.¹⁷

4 Empirical Strategy

4.1 Econometric Model

The combination of regional and temporal variations in corruption investigations motivates a *difference-in-differences* strategy. Thus, to assess the anti-corruption campaign’s impact on political trust, we rely on the following specification:

$$y_{ipt} = \alpha + \beta_1 (D_p^{14} \times T_t^{14}) + \beta_2 (D_p^{16} \times T_t^{16}) + X_i' \gamma_t + \lambda_i + \mu_t + \varepsilon_{ipt}. \quad (6)$$

¹⁶The CFPS 2010 survey directly asks if one’s family was assigned a bad class label (landlords, rich peasants, and capitalists), was sent to the May Seventh Cadre School (where intellectuals were re-educated through labor in the Cultural Revolution), or experienced the Sent-Down Youth Movement. Intentional misreporting is not very likely. Also using CFPS data, [Alesina et al. \(2020\)](#) document that for nearly 94.3% of Chinese households, all household members report identical class labels.

¹⁷The impressionable years hypothesis ([Alwin and Krosnick, 1991](#); [Cotofan et al., 2020](#); [Carreri and Teso, 2023](#)) suggests that the period between the ages of 18 and 25 is a critical period for the formation of political attitudes. For instance, [Carreri and Teso \(2023\)](#) find that the members of the US Congress hold more conservative views on redistribution if they have experienced recessions during impressionable years.

Table 1: Summary Statistics

	(1)	(2)	(3)	(4)	(5)	(6)	(7)
	Time	Source	Obs.	Mean	SD	Min	Max
Panel (A): Anti-Corruption							
Corruption investigations	2012–16	0	35850	28.448	37.613	0	262
Panel (B): Attitudes							
Trust in cadres	2012–16	1	35850	4.877	2.624	0	10
Trust in parents	2012–16	1	35775	9.311	1.477	0	10
Trust in strangers	2012–16	1	35767	1.904	2.066	0	10
Trust in Americans	2012–16	1	35090	2.128	2.402	0	10
Government performance	2012–16	1	34854	3.411	0.909	1	5
Panel (C): Experiences							
Experience: unfairly treated by cadres	2012	1	35706	0.089	0.285	0	1
Experience: having conflicts w/cadres	2012	1	35760	0.036	0.185	0	1
Experience: slack cadres	2012	1	35703	0.125	0.331	0	1
Experience: asked for bribes	2012	1	35715	0.066	0.248	0	1
Panel (D): Covariates							
Birth cohort	2012	1	35850	1967.387	10.534	1950	1990
Male	2012	1	35850	0.467	0.499	0	1
Han ethnicity	2012	1	35850	0.926	0.262	0	1
Urban	2012	1	35850	0.463	0.499	0	1
Degree completed	2012	1	35850	2.540	1.286	1	6
Communist Party member	2012	1	35850	0.075	0.263	0	1
State sector employee	2012	1	35850	0.080	0.272	0	1
Father degree completed	2010	1	35850	1.873	1.054	1	6
Mother degree completed	2010	1	35850	1.441	0.799	1	6
Father Communist Party member	2010	1	35850	0.160	0.367	0	1
Mother Communist Party member	2010	1	35850	0.023	0.149	0	1
Panel (E): Other Variables							
ETC index	2002–04	2	18846	0.012	0.005	0.003	0.025
Attention to corruption news	2010	1	35850	0.230	0.421	0	1
Deleted Weibo posts	2009–13	3	33765	0.181	0.048	0.120	0.285
Govt. Weibo users	2009–13	3	33765	0.041	0.010	0.025	0.061
ln(Confucian temples)	Qing	4	30150	4.559	1.516	0	8.677
Military family	2010	1	35850	0.063	0.243	0	1
Family purged in revolutions	2010	1	35850	0.127	0.333	0	1

Source: 0 = Wang and Dickson (2022), 1 = CFPS, 2 = Cai et al. (2011), 3 = Qin et al. (2017), 4 = Chen and Kung (2019).

Subscript i indexes individuals, p indexes cities, and t indexes years (2012, 2014, and 2016). We include individual fixed effects λ_i and year fixed effects μ_t . y_{ipt} is the political trust measure. D_p^{14} and D_p^{16} are city p 's cumulative corruption investigations as of 2014 and 2016, respectively. T_t^{14} and T_t^{16} are the dummy variables for years 2014 and 2016. X_i is a set of individual characteristics, including indicators of birth cohort, gender, Han ethnicity, *hukou* status, Communist Party membership, educational attainment, employment in state sectors, parental educational attainment, and parental Communist Party membership. As they are invariant over time, we allow them to have differential impacts on political trust (or reporting of trust, as mentioned in Section 3.2.2) over time. ε_{ipt} is the error term. We subject standard errors to clustering at the city level.

4.2 Identifying Assumption

Equation 6 makes full use of our three-period panel data to trace how an individual’s political trust varies with the anti-corruption campaign. β_1 and β_2 are the parameters of interest, capturing how an increase in cumulative investigations is associated with an average individual’s political trust in 2014 and 2016, respectively.

The difference-in-differences design compares the trends of political trust between individuals in high- and low-investigation cities. To attribute the trend differences to the gap in corruption investigations, i.e., to causally interpret estimated β_1 and β_2 , the common trends assumption needs to be met — if corruption investigations were at the same level, individuals would share similar trends of political trust between cities, conditional on the controls.

The major concern is that if political trust were already on a different trend in high-investigation cities than in low-investigation cities, our estimates would be biased. However, the bias may be limited since the trends may not be very distinct, depending on corruption investigations. On one hand, more corruption investigations can be associated with *declining* political trust, as they may reflect the severity of preexisting corruption. On the other hand, to the extent that corruption is a byproduct of economic growth, more investigations may be associated with *rising* political trust, as people give credit to the developmental government despite the revealed corruption (Ang, 2020).¹⁸ Taken together, these two competing narratives could counteract each other, mitigating differential trends across cities.

We conduct a battery of checks to ensure that the common trends assumption is plausible. First, in Table A1, we show that once conditioned on province fixed effects (embedded in individual fixed effects), a city’s cumulative investigations (D_p^{14} and D_p^{16}) are not correlated with its pre-campaign (2012) political trust level or with other factors that could affect the evolution of political trust, including the predetermined *levels* and *growth rates* of public sector size, private sector size, GDP per capita, tax revenue per capita, and wage rate. This indicates that the cumulative investigations may be conditionally idiosyncratic, favoring the common trends assumption.¹⁹

Second, in Equation 6, we flexibly control for possible differential trends by including the interactions of individual covariates and year dummies. As robustness checks, we also include past corruption levels, interacted with year dummies and province-by-year fixed effects, and the results persist (see Section 5.2).

Third, although we are unable to test for pretrends using the usual event-study exercise because we have only one pre-campaign period (2012) in the CFPS sample, we show evidence in the same vein using another dataset from the China Social General Social Survey (CGSS). CGSS elicited

¹⁸Note that this would attenuate negative estimates (see Section 5.1), suggesting that our results are still informative in the sense of providing a lower bound.

¹⁹This might not be surprising, as most variations in corruption come from time-invariant factors such as resource endowments, culture, social networks, and so on, which are absorbed by province fixed effects. The remaining variations are due to the anti-corruption campaign’s idiosyncratic enforcement.

political trust (in local government) between 2010 and 2012. We correlate political trust in these years with upcoming corruption investigations in 2014 and 2016.²⁰ Figure A3 shows a lack of differential trends in political trust prior to the campaign, also lending support to the common trends assumption.²¹

5 Effects of Corruption Investigations on Political Trust

5.1 Main Results

Average Effect. Based on Equation 6, Table 2 presents the impact of corruption investigations on political trust. We scale the estimates to reflect how political trust is associated with a one standard deviation change in the number of cumulative investigations that people have been exposed to (SD = 38). The dependent variable is the political trust dummy (= 1 if the score ≥ 5). As mentioned earlier, this formulation defines distrust conservatively (score ≤ 4) and so enhances the power of the test for whether the anti-corruption campaign *reduces* political trust. In Table 2, all the estimates imply that on average, the corruption investigations brought by the anti-corruption campaign have lowered political trust. This decline is pronounced in 2014 but not in 2016.²²

Specifically, Column (1) displays results from a minimum specification, where only individual and year fixed effects are controlled. In the rest of the columns, we stepwise add covariates. We include birth cohort-by-year fixed effects in Column (2), individual characteristics (gender, education, ethnicity, party membership, and state sector employment) interacted with year dummies in Column (3), and family background (parental education and party membership) interacted with year dummies in Column (4). The estimates are remarkably stable with the inclusion of these controls, which indicates that corruption investigations are orthogonal to local conditions. This result lends support to the identifying assumption that requires the paths of political trust to be similar between cities if corruption investigations were at the same level.

In our preferred specification (Column (4)), the estimate shows that in 2014, a one SD increase in corruption investigations on average reduces the likelihood of trusting the government by 2.2 percentage points.²³ Such an effect is sizeable. For example, in the baseline year of 2012, this magnitude is more than two-thirds of the gap in political trust between those who paid attention to corruption news and those who did not (Column (2) of Appendix Table A3). It is also one-fifth of the gap in political trust between Communist Party members and other individuals.

²⁰Here we measure corruption investigations at the province level because CGSS only provides a province identifier.

²¹In subsequent sections, we explore heterogeneous effects of the campaign by education, which is important for understanding the mechanisms of our main findings. The parallel pre-trends displayed in Figure A3 hold in very similar patterns when examining individuals above and below college, respectively. The results are not reported for the sake of space but can be provided upon request.

²²Implications are similar if we use the political trust scale as the dependent variable (see Table A2).

²³One SD increase is also very similar to the difference between the third quartile and the first quartile of corruption investigations in both 2014 and 2016.

Table 2: Effect of Anti-Corruption on Political Trust

	(1)	(2)	(3)	(4)
$D^{14} \times T^{14}$	-0.025*** (0.008)	-0.024*** (0.008)	-0.022*** (0.008)	-0.021*** (0.008)
$D^{16} \times T^{16}$	-0.007 (0.009)	-0.006 (0.009)	-0.009 (0.009)	-0.009 (0.009)
DV mean, pre-campaign	0.632	0.632	0.632	0.632
Individual FE	Y	Y	Y	Y
Year FE	Y	Y	Y	Y
Cohort \times year FE		Y	Y	Y
Indiv. char. \times year FE			Y	Y
Fam. bkgd. \times year FE				Y
N	35,850	35,850	35,850	35,850
R-sq	0.505	0.506	0.508	0.508

Note: The dependent variable is the political trust dummy. The number of investigations (D) is standardized. Individual characteristics include gender, indicators of educational attainment, *hukou* status, Han ethnicity, Communist Party membership, and state sector employment. Family background includes parents' educational attainment and their Communist Party membership. Robust standard errors, clustered at the city level, are reported in parentheses.

* $p < 0.1$ ** $p < 0.05$ *** $p < 0.01$

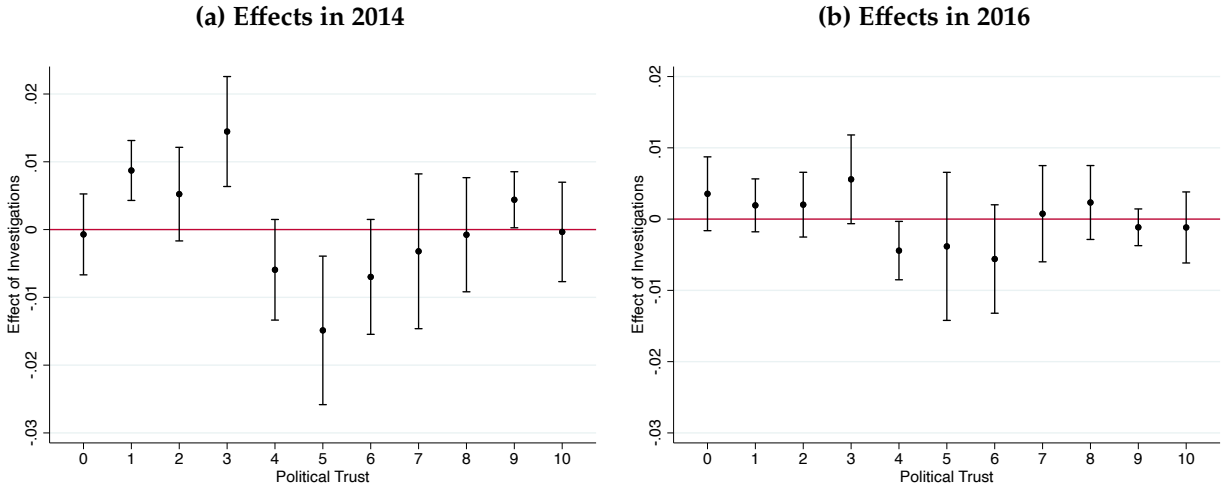
Although the anti-corruption campaign had a negative effect on political trust in 2014, our estimates suggest that by 2016, the effect had become insignificant. However, the average effects mask heterogeneous effects across different groups. Notably, the anti-corruption campaign had varying effects on individuals with different education levels. As we will demonstrate in greater detail later, the campaign decreased political trust among individuals with lower levels of education, while individuals with a college degree experienced an increase in political trust (see [Table 5](#) and [Figure 8](#)). The results show interesting distributional effects of the campaign on political trust, and point to potential polarization. The heterogeneity in the treatment effects also provides insight into the mechanisms behind the change of individuals' attitudes. Later in the paper, we examine the interplay of education and anti-corruption more closely (see [Section 6.2](#)).

Effects at Different Margins. Apart from identifying the average effect, we also zoom into corruption investigations' effects at different margins of political trust. We create dummy variables for each level of political trust scores, ranging from 0 to 10, and use them as the dependent variable of [Equation 6](#).

[Figure 4a](#) presents the changes in 2014. We see that corruption investigations have reduced the proportion of people who hold a moderate level of political trust (score = 4–6). Such an effect is notable — these people may have been ambivalent about judging the government; however, the anti-corruption campaign appears to have pushed them to make a more definite judgment. The changes in judgment are slightly *polarized*: most people adjust their political trust to low levels (1–3), but there is also a significant increase in the size of people who are highly trustful of the government (score = 9), which renders the negative average effect observed in [Table 2](#). [Figure 4b](#)

shows the effects of corruption investigations on political trust by margin in 2016, where the patterns are similar to those in 2014 but are far less pronounced.

Figure 4: Effects at Different Margins of Political Trust



Note: We estimate Equation 6 using the dummy variable for each level of political trust as the independent variable. The estimated coefficients on the 2014 investigations are plotted in (a), and the estimated coefficients on the 2016 investigations are plotted in (b). The solid points are point estimates and the caps are 90 percent confidence intervals.

Remarks. Taken together, our results show that corruption investigations brought by China’s anti-corruption campaign lower the average individual’s political trust. But this masks important heterogeneity: there is a small group of people who actually enhance their trust, despite the majority reacting negatively upon learning of a great deal of corruption in government. In light of our theoretical prediction, Proposition 1, our results suggest that the average individual interprets corruption revelation from the campaign negatively, but there exists a significant cleavage in beliefs about whether the government is honest or corrupt, making the same information about corruption interpreted differently and ultimately bifurcating political trust. We supplement this view with more heterogeneity analyses and discussions of alternative explanations in Section 6. Meanwhile, in the rest of this section, we provide several robustness checks for our results.

5.2 Robustness Checks

In the following, we provide a battery of robustness checks for our baseline findings, including additional controls for potential differential trends, accounting for other contemporaneous shocks, an alternative inference approach, and an alternative estimator.

5.2.1 Further Controls for Differential Trends

The key assumption to be met for causal interpretations of our estimates is the common trends assumption: were corruption investigations at the same level, the trends of political trust would be similar between cities (see [Section 4.2](#)). This assumption is plausible as corruption investigations are conditionally idiosyncratic, i.e., they are conditionally orthogonal to a variety of factors in political trust’s evolution (see [Table A1](#)) and are not associated with pretrends in political trust (see [Figure A3](#)).

Even so, to shed more light on the common trends assumption, we explicitly add differential trends of political trust in two ways. First, corruption investigations may relate to past levels of corruption, which shape the long-term trend of political trust, so we include interactions of past corruption levels and year dummies in [Equation 6](#) to further purge any differential trends. Past corruption levels are measured using firms’ entertainment and travel costs (ETC), which are often spent on bribing government officials ([Cai et al., 2011](#)). [Cai et al. \(2011\)](#)’s ETC indices during 2002–2004 cover half of the cities in our sample (60). We take the three-year average. Columns (1) and (2) of [Table 3](#) display the results of controlling for past corruption-related paths. Since ETC data only cover a subset of the cities in our sample, to aid in comparison we re-estimate [Equation 6](#) in Column (1), using the subsample where ETC is available. Reassuringly, corruption investigations still reduce political trust. Column (2) shows that the inclusion of average ETC interacted with year dummies does not materially change the estimates. Second, we examine the robustness of our results by including province-by-year fixed effects, as province-invariant factors may result in differential trends of political trust. Columns (3) and (4) of [Table 3](#) show that the estimates with and without including province-by-year fixed effects deliver the same implications. Column (3) replicates Column (4) of [Table 2](#). After further controlling for province-by-year fixed effects in Column (4), we find that the estimated effect is very similar to our baseline results for the year of 2014. The estimated effect on political trust in 2016 is also negative and statistically significant with the inclusion of province-by-year fixed effects. Taken together, our results were not likely confounded by differential trends of political trust.

5.2.2 Accounting for Contemporaneous Shocks

One concern about the results may be that they are likely to have picked up changes in political trust due to other contemporaneous shocks. Indeed, besides the anti-corruption campaign, Chinese society has experienced a range of other shocks during the period under study. We carefully follow the literature to account for the influences of salient events. Specifically, we estimate the following model modified from [Equation 6](#):

$$y_{ipt} = \alpha + \beta_1 (D_p^{14} \times T_t^{14}) + \beta_2 (D_p^{16} \times T_t^{16}) + X_i' \gamma_t + Z_{p(t)} \delta_t + \lambda_i + \mu_t + \varepsilon_{ipt}. \quad (7)$$

Table 3: Robustness Checks: Further Controls for Differential Trends

	+ ETC \times Year FE		+ Province \times Year FE	
	(1)	(2)	(3)	(4)
$D^{14} \times T^{14}$	-0.028*** (0.008)	-0.027*** (0.008)	-0.021*** (0.008)	-0.028** (0.013)
$D^{16} \times T^{16}$	-0.006 (0.011)	-0.006 (0.011)	-0.009 (0.009)	-0.022** (0.009)
DV mean, pre-campaign	0.624	0.624	0.633	0.633
Individual FE	Y	Y	Y	Y
Year FE	Y	Y	Y	Y
Covariates	Y	Y	Y	Y
ETC \times year FE		Y		
Province \times year FE				Y
N	18,846	18,846	35,850	35,850
R-sq	0.523	0.523	0.508	0.510

Note: The dependent variable is the political trust dummy. The number of investigations (D) is standardized. Covariates include gender, educational attainment, *hukou* status, Han ethnicity, Communist Party membership, state sector employment, parental educational attainment, and parental Communist Party membership, all of which are interacted with year dummies. The ETC index is from [Cai et al. \(2011\)](#). Column (1) replicates Column (4) of [Table 2](#) using the subsample for which the ETC information is available. Column (3) is the same as Column (4) of [Table 2](#). Robust standard errors, clustered at the city level, are reported in parentheses.

* $p < 0.1$ ** $p < 0.05$ *** $p < 0.01$

In this model, $Z_{p(t)}$, either time varying or time invariant, is a measure of city p 's exposure to a certain event. We allow $Z_{p(t)}$ to have heterogeneous cross-sectional relationships with political trust at different time points. We focus on how the estimates of β_1 and β_2 change after the inclusion of $Z_{p(t)}$.

Several contemporaneous events are considered. First, we consider the air pollution level that people were exposed to. During the period we study, China improved efforts in tackling its air pollution problem. For instance, an automated monitoring system was established to collect and report pollution information across the country since 2013 ([Chen et al., 2023](#)). President Xi also incorporated pollution mitigation in his agenda, which led to vast institutional reforms and resource mobilizations regarding environmental issues ([Zeng et al., 2023](#)). Relevant to our study, [Yao et al. \(2022\)](#), who also use the CFPS data, find that exposure to severe air pollution can reduce trust in local government. To account for this impact, we let $Z_{p(t)}$ be the annual average PM2.5 level of a city. The second row of [Figure 5](#) shows the estimated β_1 and β_2 after introducing this control, which are similar to the baseline estimates in the first row. Therefore, the anti-corruption's effects on political trust are not due to changes in air pollution.

Second, we take into account the *hukou* (household registration) reform in 2014. The *hukou* system encompasses a bundle of institutional restrictions on internal migration, which bars migrants from the access to local public goods. These restrictions were lifted in small-to-medium

sized cities (with urban population below 3 million) in 2014. The reform may influence people’s attitudes toward government. For example, [An et al. \(2023\)](#) find that the *hukou* reform lowers people’s satisfaction with local social security, likely due to increasing migration-imposed pressure on the social security system. To account for the *hukou* reform, we let $Z_{p(t)}$ be a dummy variable that equals one if a city’s urban population in 2014 was less than 3 million. As shown by the third row of [Figure 5](#), controlling for the *hukou* reform does not produce marked differences from the baseline results.

Third, we control for the influences of the anti-poverty program, which is another signature program under President Xi and can be influential on political trust ([Manacorda et al., 2011](#)). To do so, we draw from the official document to compile an indicator for exposure to strong anti-poverty support, that is, a dummy variable that equals one if a city has any national level poverty-stricken counties.²⁴ The fourth row of [Figure 5](#) shows that results are similar after controlling for the anti-poverty programs.

Fourth, we account for China’s export slowdown during 2013–2016. The negative economic shocks can be crucial in shaping political trust. Relatedly, [Campante et al. \(2023\)](#) find that the export slowdown triggered labor unrest. We follow [Campante et al. \(2023\)](#) to construct a Bartik-style measure for global demand shocks: $Z_{p(t)} = \sum_k s_{pk,2010} (\Delta_2 X_{pt}^{ROW} / L_{p,2000})$. In this expression, $s_{pk,2010}$ is product k ’s export share in city p , measured in 2010; $\Delta_2 X_{pt}^{ROW} = X_{pt}^{ROW} - X_{p,t-2}^{ROW}$ is the two-year change in product k trade flows in the rest of world (ROW); and $L_{p,2000}$ is city p ’s working-age population in the 2000 population census. [Campante et al. \(2023\)](#) use this variable as an instrument for local export slowdown. The fifth row of [Figure 5](#) shows that after controlling for export slowdown, we again see a significant negative effect of anti-corruption campaign on political trust in 2014. We note that the effect in 2016 now also becomes significantly negative.

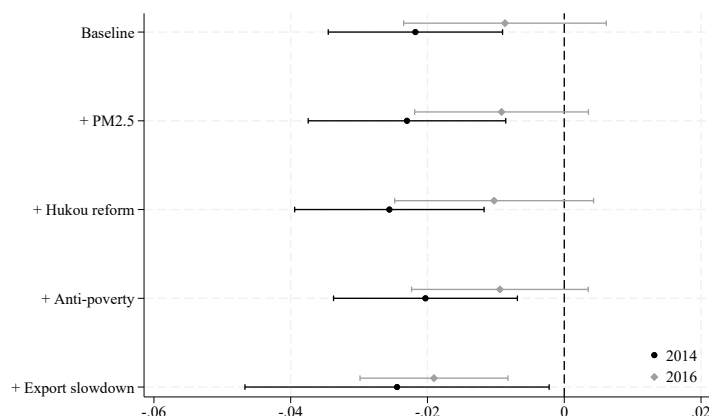
Overall, the results in [Figure 5](#) offer evidence that despite contemporaneous and likely correlated shocks, the anti-corruption campaign can play its own role in altering political trust, which we probe into specific channels in [Section 6](#).

5.2.3 Permutation Test

We also conduct a permutation test to ensure that the results are not simply due to chance. We permute corruption investigations across cities and re-estimate [Equation 6](#) to derive a counterfactual effect of corruption investigations on political trust. [Figure A4](#) displays the distribution of counterfactual effects in 2014, derived from 1,000 permutations. The vertical line is the true effect estimated using the actual sample. As shown, the counterfactual effects are centered around zero, while the true effect is at the distribution’s tail and is statistically significant (p -value

²⁴A full list is available at https://nrra.gov.cn/art/2014/12/23/art_343_981.html (in Chinese, accessed on December 22, 2023).

Figure 5: Robustness to Accounting for Contemporaneous Shocks



Note: The estimated coefficients on the 2014 and 2016 investigations are plotted, together with 90 percent confidence intervals. We begin with baseline estimates, incorporating no additional policy controls, and progressively add different policy controls to the regression.

= 0.066), indicating that the true effect is not coincidental.²⁵

5.2.4 DID with Continuous Treatment

Recent econometric literature on difference-in-differences designs with continuous treatments (Callaway et al., 2021; de Chaisemartin et al., 2022) suggests that the two-way fixed effects (TWFE) estimator may place weights that are not sensible when aggregating treatment effects, even if there is no variation in treatment timing.²⁶ What is concerning is that if the treatment effects are highly heterogeneous and there are negative weights, then our estimate probably recovers a causal parameter with a sign opposite to conventional causal parameters of interest (e.g., average treatment effect), leading to interpretation challenges. To alleviate this concern, we implement de Chaisemartin et al. (2022)'s heterogeneity-robust estimator, which confirms the main findings that corruption investigations reduced political trust in 2014 (see Table A4).²⁷ That is to say, our results are not due to incorrect aggregation of treatment effects.

²⁵Put another way, this test rejects the sharp null that the campaign had no effect on political trust in *any* city at a significance level of 0.066.

²⁶In a difference-in-difference design with binary treatment, the aggregation problem occurs when there are variations in treatment timing (Goodman-Bacon, 2021).

²⁷To implement de Chaisemartin et al. (2022), a group consisting of individuals facing low corruption investigations needs to be defined for comparison. The low level was chosen by the researchers. We attempt both 25th and 50th percentiles as cutoffs, and the results are qualitatively similar.

6 Mechanisms and Discussions

Thus far, our results have provided robust evidence that on average, corruption investigations brought by the anti-corruption campaign lowered political trust. When we zoom into the effects at each margin of political trust, we see slight polarization. What has driven these changes? The patterns emerging in [Section 5](#) seem to echo predictions in [Proposition 1](#): the anti-corruption campaign has heterogeneous impacts on political trust, since people interpret new information about corruption based upon their distinct priors.

To shed more light on this view, we corroborate [Proposition 1](#)'s two core mechanisms. First, *informativeness* — the anti-corruption campaign ought to provide information about corruption in government, and then people use that information in the evaluative process. Second, *interpretation* — conditional on informativeness, how to infer government honesty from the same piece of information depends on an individual's pro- or anti-government slant. We examine these two mechanisms in [Section 6.1](#) and [Section 6.2](#), respectively. Additionally, we discuss other alternative explanations to further ascertain [Proposition 1](#)'s implications.

6.1 Informativeness

If informativeness is at work, then a testable implication is that the anti-corruption campaign should have a more pronounced impact on political trust among the group that had less information about corruption before (low \bar{x}_i), *ceteris paribus*. In light of [Equation 5](#), the change in political trust, $\Delta s_i = (2p_i - 1)(x - \bar{x}_i)$, can be amplified by informativeness, $x - \bar{x}_i$.

Our first test is to investigate how the campaign's effects vary with previous exposure to corruption news. For those who had been unmindful of corruption news, the anti-corruption campaign may be relatively more informative, i.e., $x - \bar{x}_i$ is larger. Consequently, we expect the campaign to have a more discernible effect among this group. The CFPS 2010 survey asked respondents whether they had paid attention to corruption news. Thus, we estimate [Equation 6](#) separately for individuals with and without attention to corruption news. [Figure 6](#) compares the estimates emerging from this subsample analysis. Tellingly, the drop in political trust appears to be driven by the campaign's influences on those who had paid little attention to news about corruption, and a test strongly rejects that the effects are equal between the two subsamples (p -value for the 2014 difference = 0.049, p -value for the 2016 difference < 0.001), which is consistent with our hypothesis.

The first test exploits variations in people's knowledge about corruption from a *demand* perspective. By contrast, our second test leverages variations driven by *supply*-side factors. For many people, the Internet, especially social media, is a prominent source (if not the only source) to learn about corruption in government, and not only in China ([Guriev et al., 2021](#); [Qin et al., 2017](#)). However, internet censorship could suppress the supply of information about corruption.

As a result, in highly censored regions, the anti-corruption campaign would ironically be more informative as it reveals corruption that tended to be covered up before, enlarging its impact on political trust. To test this hypothesis, we use the share of posts deleted on Weibo (“Chinese Twitter”) provided by [Qin et al. \(2017\)](#) to measure the censorship intensity in each province. Then, we divide our sample by quintiles of censorship intensity and estimate [Equation 6](#) separately using each subsample. [Figure 7a](#) shows patterns in line with our hypothesis — the campaign induced a distinctive drop in political trust in 2014 in the most censored provinces, which is statistically distinguishable from the impacts in other less censored provinces.²⁸

In addition, the Internet’s ability to provide information about corruption can be rather restricted due to propaganda. Government users on Weibo can disseminate “neutral or positive” messages to distract the public from scandals ([King et al., 2017](#); [Qin et al., 2017](#)), making the anti-corruption campaign more informative and its impact on political trust more pronounced in regions subject to intense propaganda. To examine this hypothesis, we measure propaganda intensity using the share of government users among a province’s Weibo users, again provided by ([Qin et al., 2017](#)), and perform the same heterogeneity exercise as before. Reassuringly, [Figure 7b](#) shows that the greatest drop in political trust occurs in the top quintile of propaganda intensity.²⁹

Overall, exploiting variations in people’s knowledge about corruption from both the demand and supply sides, our results support the informative nature of the anti-corruption campaign.³⁰ However, it remains a question how different people process such information. In the following subsection, we probe this issue by investigating the role of priors.

6.2 Interpretation

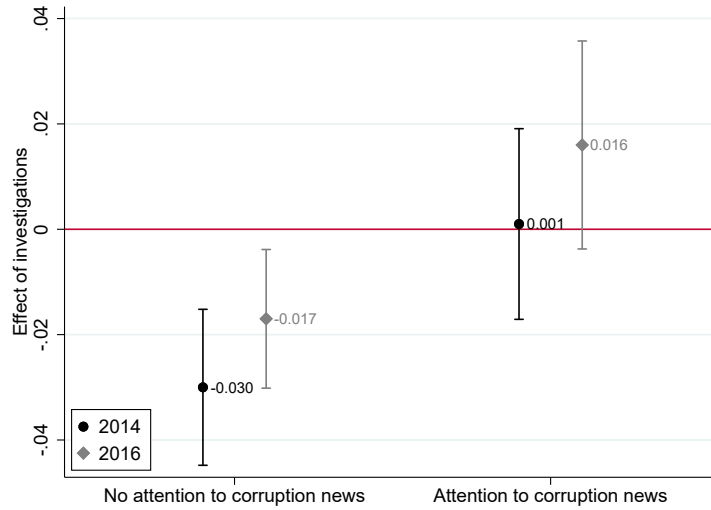
As we highlight in [Proposition 1](#), the same piece of information is compatible with different interpretations, and an individual would overweight the interpretation more aligned with her pro- or anti-government priors, resulting in different impacts of the anti-corruption campaign on political trust. To shed light on the role of prior-driven interpretations, we first concentrate on factors that shape priors directly: unpleasant experiences with the government. Then, we examine a more indirect determinant: education. This choice is motivated by three factors. First, education

²⁸Testing the respective Q1-Q5, Q2-Q5, Q3-Q5, and Q4-Q5 differences in 2014 estimates yields p -values of 0.039, 0.003, 0.013, and 0.022 (Q means quintile).

²⁹Testing the respective Q1-Q5, Q2-Q5, Q3-Q5, and Q4-Q5 differences in 2014 estimates yields p -values of 0.050, 0.034, 0.033, and 0.038. Though the 2016 estimate in Q5 has a large magnitude, it is not statistically distinguishable from its counterparts in other quintiles due to the wide confidence interval.

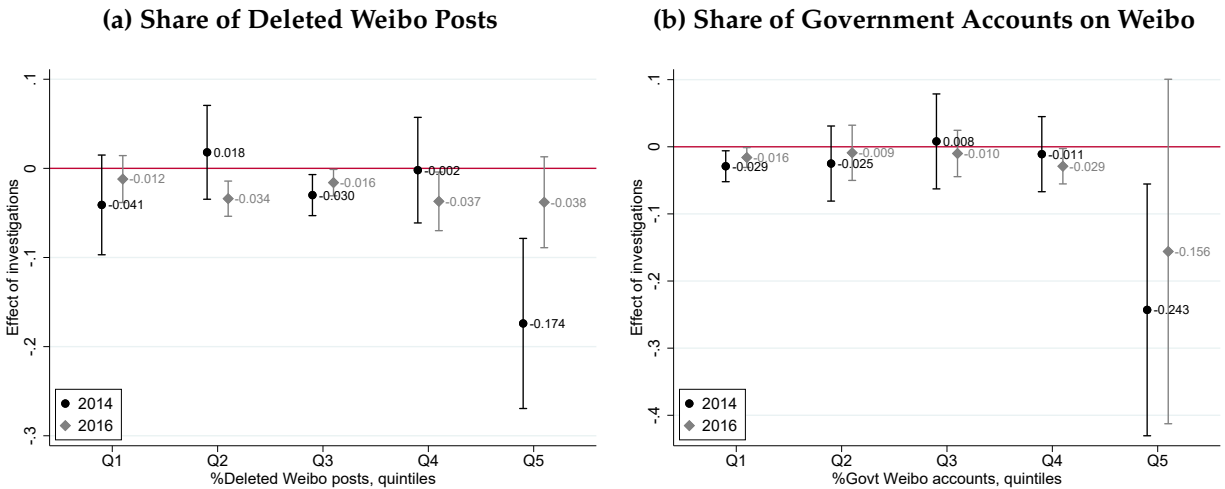
³⁰Please note this caveat of doing *ceteris paribus* heterogeneity exercises: apart from capturing the campaign’s high informativeness (high $x - \bar{x}_i$ due to low \bar{x}_i), the measurements we use may relate to relevant groups’ negative interpretations (negative $2p_i - 1$ due to low p_i). For instance, one may be interested in corruption news since she is suspicious about government honesty, and a region often has more intense censorship and propaganda due to concerns of political instability, as people there tend to be more rebellious. However, this would not reject the conclusion that the anti-corruption campaign is informative. As the interpretation channel only operates when there is some information provided by the campaign ($x - \bar{x}_i > 0$), the results of the above heterogeneity exercises indicate existence of the campaign’s informativeness, though we may not be able to disentangle how much heterogeneous effect is purely due to informativeness and how much is due to interpretations.

Figure 6: Effects by Attention to Corruption News



Note: The sample is divided into subsamples by individual attention to corruption news (elicited in the CFPS 2012 survey), and Equation 6 is estimated separately in each subsample. The solid points are point estimates and the caps are 90 percent confidence intervals.

Figure 7: Effects by Censorship and Propaganda



Note: In (a) and (b), the sample is divided into five subsamples by quintiles of deleted Weibo posts or government Weibo users, and Equation 6 is estimated separately in each subsample. The solid points are point estimates and the caps are 90 percent confidence intervals.

has important influences on political behavior and political attitudes, as is well-documented by a large body of literature (Almond and Verba, 1963; Putnam et al., 1993; Dee, 2004; Sondheimer and Green, 2010; Campante and Chor, 2012; Croke et al., 2016). Second, education has been an important component in state building — a regime devises their education policy to cultivate citizens that are supportive of their very regime (Weber, 1976; Ramirez and Boli, 1987; Lott, 1999; Aghion et al., 2019; Alesina et al., 2021; Bandiera et al., 2019; Cantoni et al., 2017). Third, there has

been some evidence and observations showing that educated Chinese people exhibit stronger pro-government or nationalistic sentiments (Cantoni et al., 2017; Qi et al., 2022). For instance, Cantoni et al. (2017) show that China’s textbook reform enhances elite students’ support for Chinese institutions. Qi et al. (2022) find that education is positively associated with support for the armed unification of Taiwan.

6.2.1 Role of Experiences with the Government

People may have formed their priors about the government in the course of interactions with government officials. Negative experiences can damage the government’s image, making people interpret corruption investigations in a way that discredits the government. Based on the CFPS 2012 survey, we examine four types of self-reported negative experiences: (i) being unfairly treated by officials, (ii) having conflicts with officials, (iii) encountering lazy officials, and (iv) being asked for bribes. Table 4 compares the anti-corruption campaign’s effects on political trust between people with and without these experiences. We see that people who have had unpleasant experiences incur a larger decline in trust, suggesting that the campaign may have provoked more negative sentiments among these groups due to their negative priors.

Table 4: Experiences with the Government and Political Trust

	Unfairly Treated		Having Conflicts		Slack Cadres		Asked for Bribes	
	(1) No	(2) Yes	(3) No	(4) Yes	(5) No	(6) Yes	(7) No	(8) Yes
$D^{14} \times T^{14}$	-0.015*	-0.071***	-0.020**	-0.069	-0.014*	-0.060**	-0.016**	-0.109***
	(0.009)	(0.020)	(0.008)	(0.041)	(0.008)	(0.023)	(0.008)	(0.026)
$D^{16} \times T^{16}$	-0.008	-0.015	-0.008	-0.042	-0.007	-0.014	-0.006	-0.041**
	(0.009)	(0.015)	(0.009)	(0.027)	(0.010)	(0.013)	(0.009)	(0.020)
DV mean, pre-campaign	0.657	0.465	0.647	0.456	0.663	0.485	0.653	0.470
<i>p</i> -value, 2014 diff.		0.014		0.217		0.065		0.001
<i>p</i> -value, 2016 diff.		0.596		0.161		0.616		0.050
Individual FE	Y	Y	Y	Y	Y	Y	Y	Y
Year FE	Y	Y	Y	Y	Y	Y	Y	Y
Covariates	Y	Y	Y	Y	Y	Y	Y	Y
N	32,520	3,183	34,488	1,269	31,227	4,476	33,363	2,352
R-sq	0.497	0.580	0.505	0.578	0.496	0.555	0.501	0.581

Note: The dependent variable is the political trust dummy. The number of investigations (D) is standardized. Covariates include gender, educational attainment, *hukou* status, Han ethnicity, Communist Party membership, state sector employment, parental educational attainment, and parental Communist Party membership, all of which are interacted with year dummies. Robust standard errors, clustered at the city level, are reported in parentheses.

* $p < 0.1$ ** $p < 0.05$ *** $p < 0.01$

6.2.2 Role of Education

Table 5 takes a first look at how the anti-corruption campaign influences political trust differently by education levels. As Column (1) shows, the decline in political trust is mitigated by educational attainment. To be more specific, if one has completed high school, i.e., 12 years of schooling, the campaign has a virtually null effect on political trust (e.g., $-0.062 + 12 \times 0.005 = 0.002$ in 2014); and if one has had some college education, then the campaign turns out to enhance political trust. Figure 8 uses a non-parametric approach to examine the heterogeneity by education, confirming that education mitigates the drop in political trust and identifying college education as a turning point.

Table 5: Education, Confucianism, and Political Trust

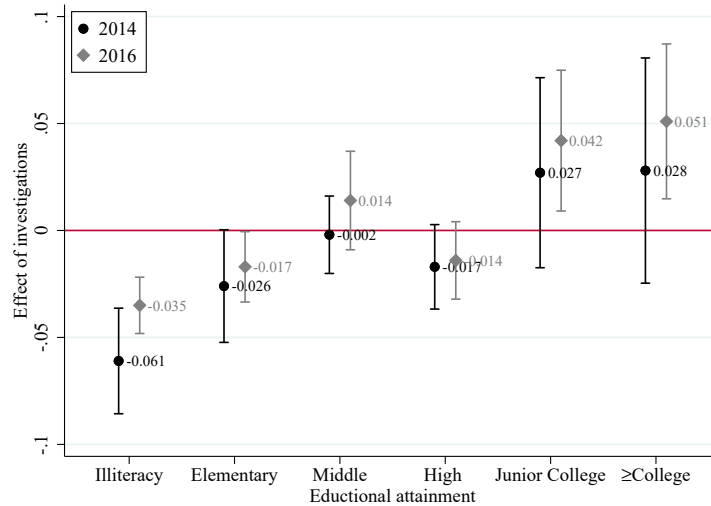
	(1)	(2)
$D^{14} \times T^{14}$	-0.066*** (0.015)	-0.066*** (0.015)
$D^{16} \times T^{16}$	-0.042*** (0.008)	-0.041*** (0.008)
$D^{14} \times T^{14} \times \text{Schooling}$	0.006*** (0.001)	-0.001 (0.004)
$D^{16} \times T^{16} \times \text{Schooling}$	0.005*** (0.001)	-0.000 (0.002)
$D^{14} \times T^{14} \times \text{Schooling} \times \ln(\text{Conf. temples})$		0.001* (0.001)
$D^{16} \times T^{16} \times \text{Schooling} \times \ln(\text{Conf. temples})$		0.001** (0.000)
DV mean, pre-campaign	0.632	0.632
Individual FE	Y	Y
Year FE	Y	Y
Covariates	Y	Y
N	30,150	30,150
R-sq	0.508	0.508

Note: The dependent variable is the political trust dummy. The number of investigations (D) is standardized. Covariates include gender, educational attainment, *hukou* status, Han ethnicity, Communist Party membership, state sector employment, parental educational attainment, and parental Communist Party membership, all of which are interacted with year dummies. Robust standard errors, clustered at the city level, are reported in parentheses.

* $p < 0.1$ ** $p < 0.05$ *** $p < 0.01$

These patterns are intriguing. They suggest that education may have shaped pro-government priors, making the educated interpret the anti-corruption campaign in a positive way. It is worth noting that educated people also tend to be better informed about corruption in government, making the anti-corruption campaign less informative to them. The increase in political trust among college-educated respondents underscores the distinctive interpretation associated with education: if the college-educated have the same interpretation as the average person, then they would have a weaker decrease or even no change in political trust, rather than an increase.

Figure 8: Effects by Educational Attainment



Note: The sample is divided into subsamples by individual educational attainment, and Equation 6 is estimated separately in each subsample. The solid points are point estimates and the caps are 90 percent confidence intervals.

We further show that our results reflect a unique, education-induced, pro-government prior. In Table A5, we horse race education and individual attributes that are associated with education and may also foster pro-government, such as urban *hukou*, Communist Party membership, and state sector employment. The results show that education’s impacts are remarkably stable.

So what enables more education to shape stronger pro-government attitudes? We suggest China’s Confucianism as a driving force, for two reasons. First of all, as China’s traditional political philosophy, Confucianism heavily influences China’s political traditions (Pan and Xu, 2018; Bell, 2010; Perry, 2008; Jiang, 2016; Economist, 2021; Page, 2015).³¹ Importantly, it features a “benevolent dictator model” that encourages people to be faithful to the ruling body and discourages critiques (e.g., Acemoglu and Robinson, 2020). As Confucius himself put it, “*commoners do not debate matters of government*” (Confucius, 2003). In this vein, some scholars even invoke Confucianism as an explanation of the long and consistent autocratic history of China (Huntington, 1991; Acemoglu and Robinson, 2020, 2021a). Second, Confucian doctrines are well integrated into China’s education system (Jiang, 2016). For instance, they are taught in Chinese literature and history classes and even tested in the college entrance exam in some regions. Accordingly, it could be easier for people to accept the pro-government doctrines embedded in education in highly Confucian provinces, where the local norms have been historically more pro-government.

Therefore, we expect an interplay between education and Confucianism in fostering a pro-

³¹For the first three decades of its reign in China, the Communist Party tried to extirpate Confucianism that it saw as feudal and backward. However, many of its practices were nonetheless implicitly shaped by Confucian values (Bell, 2010; Perry, 2008). Moreover, in the post-Mao era, the Party rehabilitated and promoted Confucianism, labeling it China’s homegrown political philosophy (Jiang, 2016; Economist, 2021).

government prior and thus enhancing political trust. To test this hypothesis, we measure local strength of Confucianism using the number of Confucian temples at the city level (Chen et al., 2020), which are historical sites for Confucian teachings and so capture the spread of Confucianism.³² Relying on this measurement, a further heterogeneity exercise in Column (2) of Table 5 favors our hypothesis: education’s heterogeneous effect is completely driven by Confucianism.

To take a granular look at the interplay between education and Confucianism, we partition our sample into four groups by college completion and local strength of Confucianism: (i) below college and below-median Confucianism, (ii) below college and above-median Confucianism, (iii) above college and below-median Confucianism, and (iv) above college and above-median Confucianism. Then, we conduct subsample analysis based on Equation 6. Figure 9 presents the *gap* in the anti-corruption campaign’s effects on political trust between high- and low-Confucianism cities, separately by college completion. It delivers two messages. First, all the gaps are positive, implying that regardless of college attainment, the drop in political trust induced by the campaign is attenuated or even reverted to an increase in more Confucian cities. This suggests that Confucianism carries, as it advocates, pro-government attitudes. Second, the positive gaps are much larger for the college-educated group, suggesting that Confucianism facilitates pro-government indoctrination inherent in China’s education system.

Taking these results together, we find that the campaign’s effect on political trust varies dramatically with educational attainment, and that the interplay between education and Confucianism drives it. These findings shed light on the interpretation mechanism through education: education shapes a pro-government prior, which leads to different interpretations of corruption information and political trusting behavior.

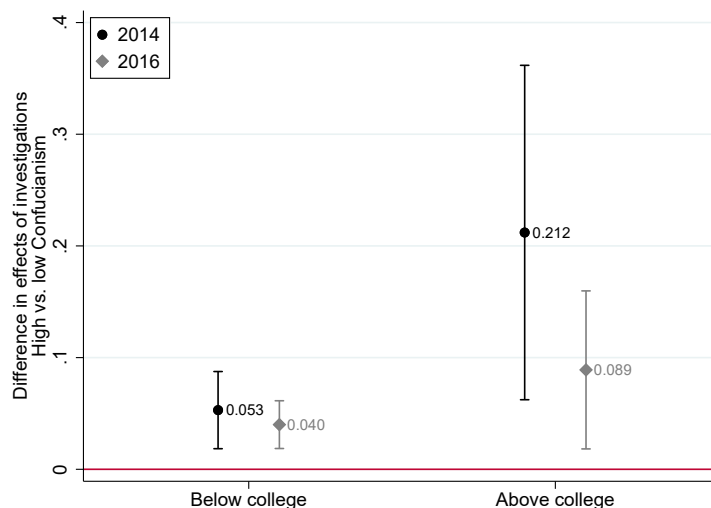
6.3 Discussions: Alternative Explanations

We read our results as the anti-corruption campaign affecting political trust by intervening in people’s perceptions of underlying government honesty. However, as we have noted in Section 2.2, changes in political trust may be rendered through other channels related to the anti-corruption campaign. To pin down the interpretations, we consider two possibilities below. We do not find strong evidence that they significantly threaten our interpretations.

Government Performance. Besides offering information about corruption for people to infer underlying government honesty, the anti-corruption campaign may affect political trust by influencing government performance. We do not think this would threaten our results much, since if anything, stricter monitoring is expected to deter misconduct and improve government performance, making the findings of a negative effect on political trust even more surprising.

³²Using the same measure, previous literature has provided evidence that Confucianism may lead to conformity to the government. For instance, Kung and Ma (2014) find that peasant rebellions were less likely to occur in areas where Confucian culture was stronger. Alm et al. (2022) find that people were more likely to conform to housing market regulations in cities with a stronger Confucian culture.

Figure 9: Effects of Education Compared: High Confucianism versus Low Confucianism



Note: The sample is divided into two groups: the below-college-educated and the above-college-educated. Within each group, we further divide individuals by residence in high and low Confucianism cities (Confucian temples above or below the median). Then, we estimate Equation 6 in each subsample. The solid points are the differences in effects between high and low Confucianism cities, and the caps are 90 percent confidence intervals.

However, the campaign could result in a backlash. The performance deteriorates due to a chilling effect: officials shirk their duties to avoid unconsciously making mistakes that would be targeted by the campaign (Wang, 2022).

To address this concern, we investigate the role of government performance in Columns (1)–(3) of Table 6. Column (1) shows that corruption investigations do not significantly affect people’s assessment of government performance (measured on a scale from 1–5, the higher the better). This may be reasonable, since it is not practical for government performance to improve much in the short run. As expected, Columns (2) and (3) show that controlling for government performance does not markedly change the effects of corruption investigations on political trust. Therefore, our findings cannot be explained by the campaign’s impacts on government performance.

General Trust. Chinese society has witnessed many changes under President Xi’s administration, and the anti-corruption campaign was just the tip of the iceberg. One may be concerned that instead of speaking to people’s updated views on the government, the negative relationship between political trust and corruption investigations we uncover merely reflects changes in general trust (in any entity, not just in government) due to the anti-corruption campaign or other contemporaneous shocks that correlated with it.

To examine if our findings are just a manifestation of changes in general trust, we conduct a couple of placebo tests that investigate whether trust in other groups is affected by the anti-corruption campaign (or shocks correlated with it). We expect to see null effects in these tests

if changes in political trust are not driven by changes in general trust. As expected, Columns (4)–(6) of Table 6 show that corruption investigations have no impact on respondents’ trust in parents, strangers, and Americans. In other words, our results are specific to changes in people’s perceptions about the government rather than about changes in overall willingness to trust.

Table 6: Alternative Interpretations: Government Performance and General Trust

	Govt. Performance			Trust in Other Groups		
	(1) Performance	(2) Political Trust	(3) Political Trust	(4) Parents	(5) Strangers	(6) Americans
$D^{14} \times T^{14}$	0.032 (0.028)	-0.018** (0.008)	-0.020*** (0.007)	-0.003 (0.002)	0.008 (0.010)	-0.001 (0.016)
$D^{16} \times T^{16}$	0.019 (0.020)	-0.008 (0.010)	-0.009 (0.009)	-0.000 (0.001)	0.003 (0.005)	0.005 (0.006)
Govt. Performance			0.062*** (0.004)			
DV mean, pre-campaign	3.412	0.632	0.632	0.981	0.183	0.260
Individual FE	Y	Y	Y	Y	Y	Y
Year FE	Y	Y	Y	Y	Y	Y
Covariates	Y	Y	Y	Y	Y	Y
N	33,279	33,279	33,279	33,217	33,220	32,692
R-sq	0.510	0.509	0.516	0.399	0.469	0.487

Note: The number of investigations (D) is standardized. Covariates include gender, educational attainment, *hukou* status, Han ethnicity, Communist Party membership, state sector employment, parental educational attainment, and parental Communist Party membership, all of which are interacted with year dummies. Robust standard errors, clustered at the city level, are reported in parentheses.

* $p < 0.1$ ** $p < 0.05$ *** $p < 0.01$

Signaling. Another alternative interpretation is that by voluntarily disclosing corruption, the government may have sent out a (credible) signal to people through the anti-corruption campaign: it is now legitimate to criticize the government and lower political trust, which used to be politically incorrect or even prohibited, as the government portrayed itself as impeccable.³³

We cannot completely rule out this possibility, which requires knowledge about each individual’s take on the campaign’s nature. Nonetheless, we provide some evidence to show that the signaling story is unable to fully drive our findings. First of all, the signaling story cannot explain the heterogeneity we have found. Were signaling the only mechanism at play, the anti-corruption campaign should have universally reduced political trust. However, some groups actually increased their political trust following the campaign (see Figure 4a and Section 6.2).

Second, we show that our findings survive excluding those respondents who had been reticent due to deference or fears, and so would be most prone to express distrust after the campaign’s signaling. Table 7 presents this exercise. In Column (1), we exclude members of the Communist

³³Newman et al. (2021) tell a similar story in the US context by investigating the effects of Donald Trump’s campaigns on demonstrations of racial prejudice. Prejudiced citizens usually tend to constrain the expression of their prejudice. However, they are emboldened to express and act upon their prejudices if there are political elites (e.g., Trump) doing so.

Party of China (CPC) and those from military families. Party disciplines and indoctrination may cultivate their loyalty to the state, making them see criticizing or reporting distrust in government as taboo. In Column (2), we exclude those from families who were persecuted in the Communist Revolution (1950s) and the Cultural Revolution (1966–76). Persecutions are measured by government-assigned bad class labels (e.g., landlords, rich peasants, and capitalists) and experiences of the Sent-Down Youth Movement and the May Seventh Cadre School, which were elicited in the CFPS 2010 survey. State repression can credibly make people frightened of criticizing the government unless they are allowed to do so (in fact, they can be highly motivated to do so when allowed). In the same avenue, Column (3) further excludes those who witnessed the violent Cultural Revolution — they either came of age (reached impressionable years, 18–25) during the CR or were from cities with a large share of the population afflicted (above median) (Alwin and Krosnick, 1991; Walder, 2014). In Column (4), all three groups are excluded.

Patterns in Table 7 suggest that the signaling story may not have played a major role. We see that after excluding each respective group, the mean pre-campaign trust is not dramatically lower than the full sample mean (0.633). Thus the excluded individuals, who are supposedly reticent because of deference or fears, in fact do *not* report significantly high trust before the campaign. In addition, notwithstanding the exclusion of these groups, Table 7 shows that corruption investigations reduce political trust, implying that our results are not entirely driven by the signaling story. Notably, the subsample estimates reported in Columns (3) and (4) are larger than the full sample estimates (cf. Table 2), suggesting the role of signaling may not be the most prominent.

Table 7: Alternative Interpretations: Signaling

	(1)	(2)	(3)	(4)
$D^{14} \times T^{14}$	-0.018** (0.008)	-0.018** (0.008)	-0.055** (0.025)	-0.045* (0.025)
$D^{16} \times T^{16}$	-0.011 (0.009)	-0.008 (0.009)	-0.044*** (0.011)	-0.043*** (0.010)
Excluded	CPC & Military	Purged in Revolutions	Witnessed Violent CR	All 3 Groups
DV mean, pre-campaign	0.627	0.638	0.624	0.627
Individual FE	Y	Y	Y	Y
Year FE	Y	Y	Y	Y
Covariates	Y	Y	Y	Y
N	31,449	31,308	13,314	10,707
R-sq	0.506	0.504	0.510	0.505

Note: The dependent variable is the political trust dummy. The number of investigations (D) is standardized. Covariates include gender, educational attainment, *hukou* status, Han ethnicity, Communist Party membership, state sector employment, parental educational attainment, and parental Communist Party membership, all of which are interacted with year dummies. Robust standard errors, clustered at the city level, are reported in parentheses.

* $p < 0.1$ ** $p < 0.05$ *** $p < 0.01$

7 Conclusion

This paper studies the impacts of China's recent anti-corruption campaign on political trust. Using individual panel data to trace the evolution of political trust, we find that the campaign, on average, has reduced political trust. We provide suggestive evidence for two (interrelated) mechanisms. First, the campaign may have functioned as an information treatment by improving people's limited knowledge about corruption. Indeed, the drop in political trust is more pronounced among less informed groups. Moreover, we uncover strong heterogeneity driven by the pro- and anti-government cleavage. Political trust is reduced to a greater extent for those who have had unpleasant experiences with the government. Education mitigates this reduction and even reverses it to an increase, possibly by forging pro-government sentiments, as exemplified by the strong interplay between education and Confucianism.

Our results suggest that government officials face a dilemma when attempting to advertise a seemingly popular anti-corruption reform. Such a reform inevitably reveals the government's downsides, and its influence, at least in the short run, depends on people's priors about whether the government is good or not, providing space for polarization and backlash should the cleavage in priors be significant. Moreover, it could be hard to alter these effects in the short run. As we have shown, they are rooted in the long-term practices of the government (e.g., censorship, propaganda, governance), as well as in cultural norms (e.g., Confucianism).

We close this paper by noting one limitation of our results. We, at best, speak to the short-run effects of the anti-corruption campaign. However, people may update their political trust in the long term, changing the implications of the anti-corruption campaign on political trust. In addition, although we do not find evidence that the effect operated through the channel of government performance, we conjecture that in the long run, government performance could matter since the anti-corruption campaign has tremendous economic effects (e.g., [Kong et al., 2020](#); [Kong and Qin, 2021](#); [Chen and Kung, 2019](#); [Xu and Yano, 2017](#); [Xu et al., 2021](#)). It will be interesting for future research to examine the long-run effect, given that the campaign is still proceeding and the anti-corruption practices in the campaign tend to be a regular part of the Chinese institutions.

References

- Acemoglu, Daron, and James A Robinson.** 2020. *The narrow corridor: States, societies, and the fate of liberty*. Penguin Books.
- Acemoglu, Daron, and James A Robinson.** 2021a. "Culture, Institutions and Social Equilibria: A Framework." Technical report, National Bureau of Economic Research.
- Acemoglu, Daron, and James A Robinson.** 2021b. "Non-Modernization: Power-Culture Trajectories and the Dynamics of Political Institutions." Technical report, National Bureau of Economic Research.
- Adena, Maja, Ruben Enikolopov, Maria Petrova, Veronica Santarosa, and Ekaterina Zhuravskaya.** 2015. "Radio and the Rise of the Nazis in Prewar Germany." *The Quarterly Journal of Economics* 130 (4): 1885–1939.
- Aghion, Philippe, Xavier Jaravel, Torsten Persson, and Dorothée Rouzet.** 2019. "Education and military rivalry." *Journal of the European Economic Association* 17 (2): 376–412.
- Alesina, Alberto F, Marlon Seror, David Y Yang, Yang You, Weihong Zeng et al.** 2020. *Persistence through revolutions*. National Bureau of Economic Research.
- Alesina, Alberto, Paola Giuliano, and Bryony Reich.** 2021. "Nation-building and education." *The Economic Journal* 131 (638): 2273–2303.
- Algan, Yann, and Pierre Cahuc.** 2010. "Inherited trust and growth." *American Economic Review* 100 (5): 2060–92.
- Algan, Yann, and Pierre Cahuc.** 2014. "Trust, growth, and well-being: New evidence and policy implications." In *Handbook of Economic Growth*, Volume 2. 49–120, Elsevier.
- Allen, Nicholas, and Sarah Birch.** 2015. "Process preferences and British public opinion: Citizens' judgements about government in an era of anti-politics." *Political Studies* 63 (2): 390–411.
- Alm, James, Weizheng Lai, and Xun Li.** 2022. "Housing market regulations and strategic divorce propensity in China." *Journal of Population Economics* 35 (3): 1103–1131.
- Almond, Gabriel, and Sidney Verba.** 1963. *The Civic Culture: Political Attitudes and Democracy in Five Nations*. Princeton, NJ: Princeton University Press.
- Alwin, Duane F, and Jon A Krosnick.** 1991. "Aging, cohorts, and the stability of sociopolitical orientations over the life span." *American Journal of Sociology* 97 (1): 169–195.
- An, Lei, Yu Qin, Jing Wu, and Wei You.** 2023. "The Local Labor Market Effect of Relaxing Internal Migration Restrictions: Evidence from China." *Journal of Labor Economics*. [10.1086/722620](https://doi.org/10.1086/722620).
- Anderson, Christopher J, and Yuliya V Tverdova.** 2003. "Corruption, political allegiances, and attitudes toward government in contemporary democracies." *American Journal of Political Science* 47 (1): 91–109.
- Ang, Yuen Yuen.** 2020. *China's gilded age: The paradox of economic boom and vast corruption*. Cambridge University Press.
- Arrow, Kenneth J.** 1972. "Gifts and Exchanges." *Philosophy & Public Affairs* 343–362.
- Bandiera, Oriana, Myra Mohnen, Imran Rasul, and Martina Viarengo.** 2019. "Nation-building through compulsory schooling during the age of mass migration." *The Economic Journal* 129

- (617): 62–109.
- Banerjee, Ritwik.** 2016. "Corruption, norm violation and decay in social capital." *Journal of Public Economics* 137 14–27.
- Bechtel, Michael M, and Jens Hainmueller.** 2011. "How lasting is voter gratitude? An analysis of the short-and long-term electoral returns to beneficial policy." *American journal of political science* 55 (4): 852–868.
- Bell, Daniel A.** 2010. "China's new Confucianism." In *China's New Confucianism*, Princeton University Press.
- Bisgaard, Martin.** 2015. "Bias will find a way: Economic perceptions, attributions of blame, and partisan-motivated reasoning during crisis." *The Journal of Politics* 77 (3): 849–860.
- Bisgaard, Martin, and Rune Slothuus.** 2018. "Partisan elites as culprits? How party cues shape partisan perceptual gaps." *American Journal of Political Science* 62 (2): 456–469.
- Bjørnskov, Christian.** 2011. "Combating corruption: On the interplay between institutional quality and social trust." *The Journal of Law and Economics* 54 (1): 135–159.
- Bollyky, Thomas J, Erin N Hulland, Ryan M Barber et al.** 2022. "Pandemic preparedness and COVID-19: an exploratory analysis of infection and fatality rates, and contextual factors associated with preparedness in 177 countries, from Jan 1, 2020, to Sept 30, 2021." *The Lancet* 399 (10334): 1489–1512.
- Bullock, John G.** 2009. "Partisan bias and the Bayesian ideal in the study of public opinion." *The Journal of Politics* 71 (3): 1109–1124.
- Cai, Hongbin, Hanming Fang, and Lixin Colin Xu.** 2011. "Eat, drink, firms, government: An investigation of corruption from the entertainment and travel costs of Chinese firms." *The Journal of Law and Economics* 54 (1): 55–78.
- Callaway, Brantly, Andrew Goodman-Bacon, and Pedro HC Sant'Anna.** 2021. "Difference-in-differences with a continuous treatment." *arXiv preprint arXiv:2107.02637*.
- Campante, Filipe R, and Davin Chor.** 2012. "Schooling, political participation, and the economy." *Review of Economics and Statistics* 94 (4): 841–859.
- Campante, Filipe R, Davin Chor, and Bingjing Li.** 2023. "The political economy consequences of China's export slowdown." *Journal of the European Economic Association* jvad007.
- Cantoni, Davide, Yuyu Chen, David Y Yang, Noam Yuchtman, and Y Jane Zhang.** 2017. "Curriculum and ideology." *Journal of Political Economy* 125 (2): 338–392.
- Carothers, Christopher.** 2022. *Corruption Control in Authoritarian Regimes: Lessons from East Asia*. Cambridge University Press.
- Carreri, Maria, and Edoardo Teso.** 2023. "Economic recessions and congressional preferences for redistribution." *The Review of Economics and Statistics* 105 (3): 723–732.
- de Chaisemartin, Clément, Xavier D'Haultfœuille, Félix Pasquier, and Gonzalo Vazquez-Bare.** 2022. "Difference-in-Differences Estimators for Treatments Continuously Distributed at Every Period." *Available at SSRN*.
- Chang, Eric CC, and Yun-han Chu.** 2006. "Corruption and trust: exceptionalism in Asian

- democracies?" *The Journal of Politics* 68 (2): 259–271.
- Chen, Nan, and Zemin Zachary Zhong.** 2020. "The economic impact of China's anti-corruption campaign." *Available at SSRN 2996009*.
- Chen, Ting, and James Kai-sing Kung.** 2019. "Busting the "Princelings": The campaign against corruption in China's primary land market." *The Quarterly Journal of Economics* 134 (1): 185–226.
- Chen, Ting, James Kai-sing Kung, and Chicheng Ma.** 2020. "Long live Keju! The persistent effects of China's civil examination system." *The Economic Journal* 130 (631): 2030–2064.
- Chen, Xing, Xiaoxiao Shen, and Andong Zhuge.** 2023. "Pollution matters: The political cost of information disclosure." *Governance*. [10.1111/gove.12847](https://doi.org/10.1111/gove.12847).
- Chen, Yuyu, and David Y Yang.** 2019. "Historical Traumas and the Roots of Political Distrust: Political Inference from the Great Chinese Famine."
- Chong, Alberto, Ana L De La O, Dean Karlan, and Leonard Wantchekon.** 2015. "Does corruption information inspire the fight or quash the hope? A field experiment in Mexico on voter turnout, choice, and party identification." *The Journal of Politics* 77 (1): 55–71.
- Confucius.** 2003. *The Analects*. Indianapolis: Hackett Publishing, , 1st edition 193.
- Cotofan, Maria, Lea Cassar, Robert Dur, and Stephan Meier.** 2020. "Macroeconomic Conditions When Young Shape Job Preferences for Life." *Review of Economics and Statistics* 1–20.
- Croke, Kevin, Guy Grossman, Horacio A Larreguy, and John Marshall.** 2016. "Deliberate disengagement: How education can decrease political participation in electoral authoritarian regimes." *American Political Science Review* 110 (3): 579–600.
- Cullen, Julie Berry, Nicholas Turner, and Ebonya Washington.** 2021. "Political Alignment, Attitudes Toward Government, and Tax Evasion." *American Economic Journal: Economic Policy* 13 (3): 135–66.
- Dee, Thomas S.** 2004. "Are there civic returns to education?" *Journal of Public Economics* 88 (9-10): 1697–1720.
- Ding, Haoyuan, Hanming Fang, Shu Lin, and Kang Shi.** 2020. "Equilibrium consequences of corruption on firms: Evidence from china's anti-corruption campaign." Technical report, National Bureau of Economic Research.
- Dixit, Avinash K, and Jörgen W Weibull.** 2007. "Political polarization." *Proceedings of the National Academy of Sciences* 104 (18): 7351–7356.
- Economist.** 2021. "How did Confucianism win back the Chinese Communist Party?"
- Enikolopov, Ruben, Maria Petrova, and Konstantin Sonin.** 2018. "Social media and corruption." *American Economic Journal: Applied Economics* 10 (1): 150–74.
- Fang, Hanming, Quanlin Gu, and Li-An Zhou.** 2019. "The gradients of power: Evidence from the Chinese housing market." *Journal of Public Economics* 176 32–52.
- Farzanegan, Mohammad Reza, and Hans Philipp Hofmann.** 2021. "A Matter of Trust? Political Trust and the Covid-19 Pandemic."
- Ferraz, Claudio, and Frederico Finan.** 2008. "Exposing corrupt politicians: the effects of Brazil's publicly released audits on electoral outcomes." *The Quarterly Journal of Economics* 123 (2): 703–

- 745.
- Fukuyama, Francis.** 2020. "The thing that determines a country's resistance to the coronavirus." *The Atlantic* 30.
- Gaziano, Cecilie, and Kristin McGrath.** 1986. "Measuring the concept of credibility." *Journalism Quarterly* 63 (3): 451–462.
- Gerber, Alan, and Donald Green.** 1999. "Misperceptions about perceptual bias." *Annual Review of Political Science* 2 (1): 189–210.
- Gingerich, Daniel W et al.** 2009. "Corruption and political decay: Evidence from Bolivia." *Quarterly Journal of Political Science* 4 (1): 1–34.
- Goodman-Bacon, Andrew.** 2021. "Difference-in-differences with variation in treatment timing." *Journal of Econometrics* 225 (2): 254–277.
- Guangzhou CCDI.** 2017. "The second-round inspection by the Guangzhou Municipal Party Committee has been initiated." http://www.gzjjjc.gov.cn/ljgzw/xcgz/xcgz/xcyj/content/post_144873.html.
- Guriev, Sergei, Nikita Melnikov, and Ekaterina Zhuravskaya.** 2021. "3g internet and confidence in government." *The Quarterly Journal of Economics* 136 (4): 2533–2613.
- Hetherington, Marc J.** 1998. "The political relevance of political trust." *American Political Science Review* 92 (4): 791–808.
- Hong, Ji Yeon, Sunkyoung Park, and Hyunjoon Yang.** 2022. "In Strongman We Trust: The Political Legacy of the New Village Movement in South Korea." *American Journal of Political Science*.
- Huntington, Samuel P.** 1991. "Democracy's third wave." *Journal of Democracy* 2 (2): 12–34.
- Javed, Jeffrey A.** 2022. *Righteous Revolutionaries: Morality, Mobilization, and Violence in the Making of the Chinese State*. University of Michigan Press.
- Jiang, Junyan, Zijie Shao, and Zhiyuan Zhang.** 2020. "The Price of Probity: Anticorruption and Adverse Selection in the Chinese Bureaucracy." *British Journal of Political Science* 1–24.
- Jiang, Qing.** 2016. *A Confucian Constitutional Order: How China's Ancient Past Can Shape Its Political Future*. Volume 4. Princeton University Press.
- Khan, Adnan, Sanval Nasim, Mahvish Shaukat, and Andreas Stegmann.** 2021. "Building trust in the state with information: Evidence from urban Punjab." *Journal of Public Economics* 202 104494.
- King, Gary, Jennifer Pan, and Margaret E Roberts.** 2013. "How censorship in China allows government criticism but silences collective expression." *American Political Science Review* 107 (2): 326–343.
- King, Gary, Jennifer Pan, and Margaret E Roberts.** 2017. "How the Chinese government fabricates social media posts for strategic distraction, not engaged argument." *American Political Science Review* 111 (3): 484–501.
- Kong, Dongmin, and Ni Qin.** 2021. "China's Anticorruption Campaign and Entrepreneurship." *The Journal of Law and Economics* 64 (1): 153–180.
- Kong, Dongmin, Yunqing Tao, and Yanan Wang.** 2020. "China's anti-corruption campaign and firm productivity: Evidence from a quasi-natural experiment." *China Economic Review* 63 101535.

- Kung, James Kai-sing, and Chicheng Ma.** 2014. "Can cultural norms reduce conflicts? Confucianism and peasant rebellions in Qing China." *Journal of Development Economics* 111 132–149.
- Lai, Weizheng, and Xun Li.** 2023. "China's Anti-Corruption Campaign and Civil Servant Fever." *Working Paper*.
- Levi, Margaret, and Laura Stoker.** 2000. "Political trust and trustworthiness." *Annual Review of Political Science* 3 (1): 475–507.
- Lorentzen, Peter.** 2014. "China's strategic censorship." *American Journal of Political Science* 58 (2): 402–414.
- Lott, John R, Jr.** 1999. "Public schooling, indoctrination, and totalitarianism." *Journal of Political Economy* 107 (S6): S127–S157.
- Lü, Xiaobo.** 2014. "Social policy and regime legitimacy: the effects of education reform in China." *American Political Science Review* 108 (2): 423–437.
- Manacorda, Marco, Edward Miguel, and Andrea Vigorito.** 2011. "Government transfers and political support." *American Economic Journal: Applied Economics* 3 (3): 1–28.
- Newman, Benjamin, Jennifer L Merolla, Sono Shah, Danielle Casarez Lemi, Loren Collingwood, and S Karthick Ramakrishnan.** 2021. "The Trump effect: An experimental investigation of the emboldening effect of racially inflammatory elite communication." *British Journal of Political Science* 51 (3): 1138–1159.
- Page, Jeremy.** 2015. "Why China is turning back to Confucius." *The Wall Street Journal* 20.
- Pan, Jennifer, and Yiqing Xu.** 2018. "China's ideological spectrum." *The Journal of Politics* 80 (1): 254–273.
- People's Daily Online.** 2023. "Chengdu: Inspecting to accurately and efficiently discover problems." <http://fanfu.people.com.cn/n1/2023/1016/c64371-40095767.html>.
- Perry, Elizabeth J.** 2008. "Chinese conceptions of "rights": from Mencius to Mao—and now." *Perspectives on politics* 6 (1): 37–50.
- Petty, Richard E, and Jon A Krosnick.** 2014. *Attitude strength: Antecedents and consequences*. Psychology Press.
- Putnam, Robert D, Robert Leonardi, and Raffaella Y Nanetti.** 1993. *Making democracy work: Civic traditions in modern Italy*. Princeton University Press Princeton, NJ, USA.
- Qi, Dongtao, Suixin Zhang, and Shengqiao Lin.** 2022. "Urban Chinese Support for Armed Unification with Taiwan: Social Status, National Pride and Understanding of Taiwan." *Journal of Contemporary China* 1–18.
- Qin, Bei, David Strömberg, and Yanhui Wu.** 2017. "Why does China allow freer social media? Protests versus surveillance and propaganda." *Journal of Economic Perspectives* 31 (1): 117–40.
- Ramirez, Francisco O, and John Boli.** 1987. "The political construction of mass schooling: European origins and worldwide institutionalization." *Sociology of Education* 2–17.
- Rothstein, Bo.** 2020. "Trust is the key to fighting the pandemic." *Scientific American* 24 1–7.
- Saka, O, B Eichengreen, and C Aksoy.** 2022. "The Political Scar of Epidemics." *The Economic*

- Journal*.
- Sapienza, Paola, and Luigi Zingales.** 2013. "Economic experts versus average Americans." *American Economic Review* 103 (3): 636–42.
- Seligson, Mitchell A.** 2002. "The impact of corruption on regime legitimacy: A comparative study of four Latin American countries." *The Journal of Politics* 64 (2): 408–433.
- Shi, Tianjian.** 2001. "Cultural values and political trust: a comparison of the People's Republic of China and Taiwan." *Comparative Politics* 401–419.
- Sondheimer, Rachel Milstein, and Donald P Green.** 2010. "Using experiments to estimate the effects of education on voter turnout." *American Journal of Political Science* 54 (1): 174–189.
- Spenkuch, Jorg L, Edoardo Teso, and Guo Xu.** 2021. "Ideology and performance in public organizations." Technical report, National Bureau of Economic Research.
- Tao, Ran, Fubing Su, Xin Sun, and Xi Lu.** 2011. "Political trust as rational belief: Evidence from Chinese village elections." *Journal of Comparative Economics* 39 (1): 108–121.
- Van Bavel, Jay J, Aleksandra Cichocka, Valerio Capraro et al.** 2022. "National identity predicts public health support during a global pandemic." *Nature Communications* 13 (1): 1–14.
- Walder, Andrew G.** 2014. "Rebellion and repression in China, 1966–1971." *Social Science History* 38 (3-4): 513–539.
- Wang, Erik H.** 2022. "Frightened mandarins: the adverse effects of fighting corruption on local bureaucracy." *Comparative Political Studies* 55 (11): 1807–1843.
- Wang, Xiaonan.** 2022. *The Politics of Appointing Insiders and Outsiders: Appointing Provincial Government Agency Heads in China*. Ph.D. dissertation.
- Wang, Yuhua, and Bruce J Dickson.** 2022. "How corruption investigations undermine regime support: Evidence from China." *Political Science Research and Methods* 10 (1): 33–48.
- Weber, Eugen.** 1976. *Peasants into Frenchmen: the modernization of rural France, 1870-1914*. Stanford University Press.
- Wederman, Andrew.** 2004. "The intensification of corruption in China." *The China Quarterly* 180 895–921.
- Xi, Jinping.** 2015. "Full transcript: Interview with Chinese President Xi Jinping." *Wall Street Journal* 22.
- Xu, Gang, Xue Wang, Ruiting Wang, Go Yano, and Rong Zou.** 2021. "Anti-corruption, safety compliance and coal mine deaths: Evidence from China." *Journal of Economic Behavior & Organization* 188 458–488.
- Xu, Gang, and Go Yano.** 2017. "How does anti-corruption affect corporate innovation? Evidence from recent anti-corruption efforts in China." *Journal of Comparative Economics* 45 (3): 498–519.
- Yao, Yao, Xue Li, Russell Smyth, and Lin Zhang.** 2022. "Air pollution and political trust in local government: Evidence from China." *Journal of Environmental Economics and Management* 115 102724.
- Zeng, Jiangnan, Qiyao Zhou, and Dali Yang.** 2023. "Estimating the Economic Impact of Intensifying Environmental Regulation in China." *Environmental and Resource Economics* 86 (1-2):

147–172.

Zhuang, Maiting. 2022. “Intergovernmental Conflict and Censorship: Evidence from China’s Anti-Corruption Campaign.” *Journal of the European Economic Association*. [10.1093/jeea/jvac036](https://doi.org/10.1093/jeea/jvac036), jvac036.

Zmerli, Sonja. 2014. *Political Trust*. 4887–4889, Dordrecht: Springer Netherlands, . [10.1007/978-94-007-0753-5_2202](https://doi.org/10.1007/978-94-007-0753-5_2202).

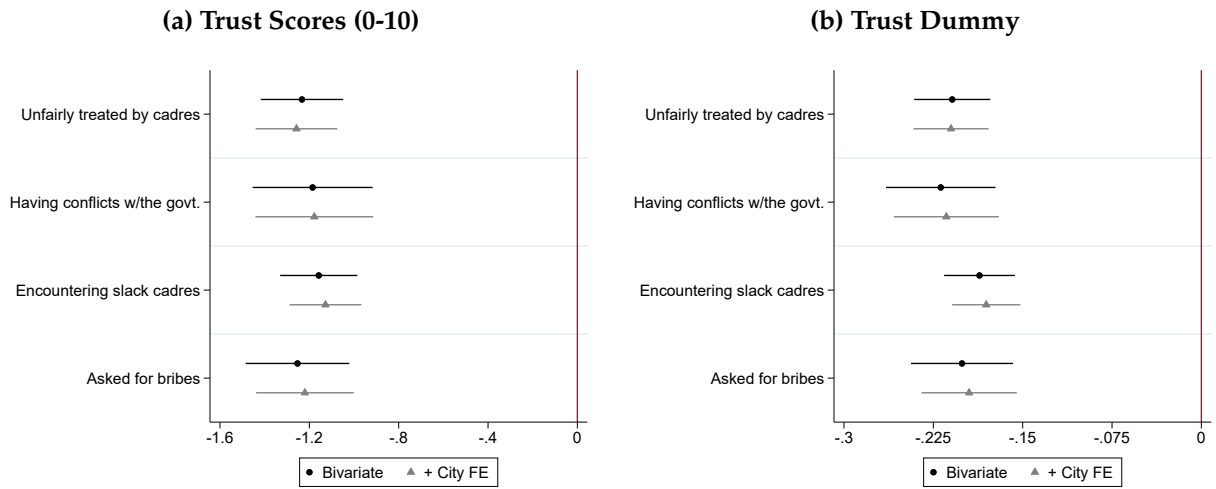
Zucco, Cesar. 2013. “When payouts pay off: Conditional cash transfers and voting behavior in Brazil 2002–10.” *American Journal of Political Science* 57 (4): 810–822.

Online Appendix

(Not for Publication)

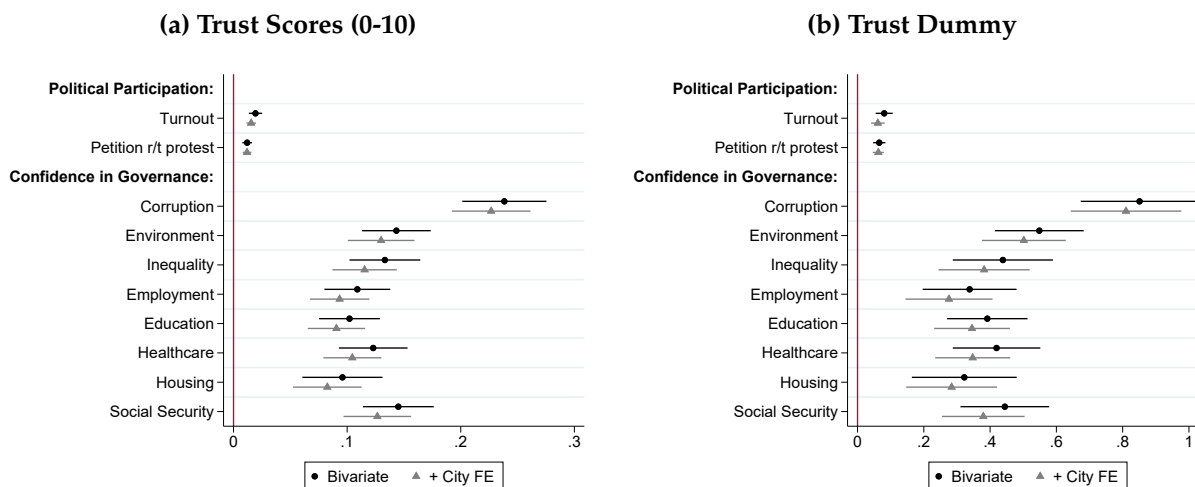
A Additional Figures and Tables

Figure A1: Correlates of Political Trust



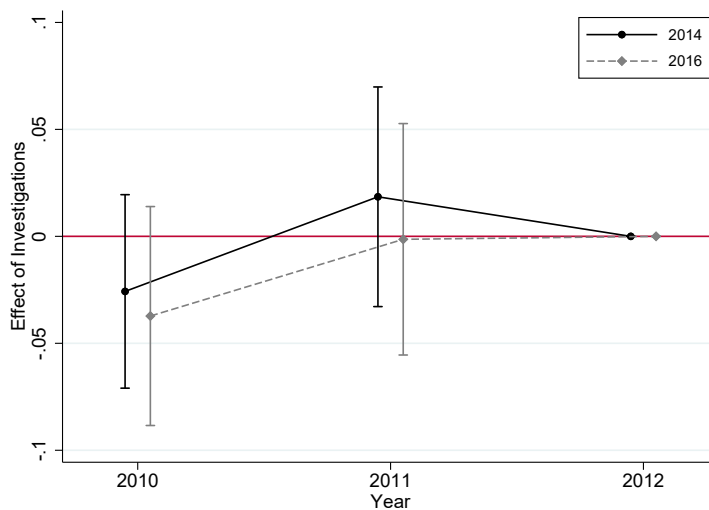
Note: In this figure, political trust is regressed on unpleasant experiences with the government. We run two sets of regressions: with and without city fixed effects. The former set is labeled as "Bivariate", while the latter is labeled as "+ City FE." The solid dots are point estimates of coefficients on experiences and the caps are 90 percent confidence intervals. Robust standard errors are clustered at the city level.

Figure A2: Outcomes of Political Trust



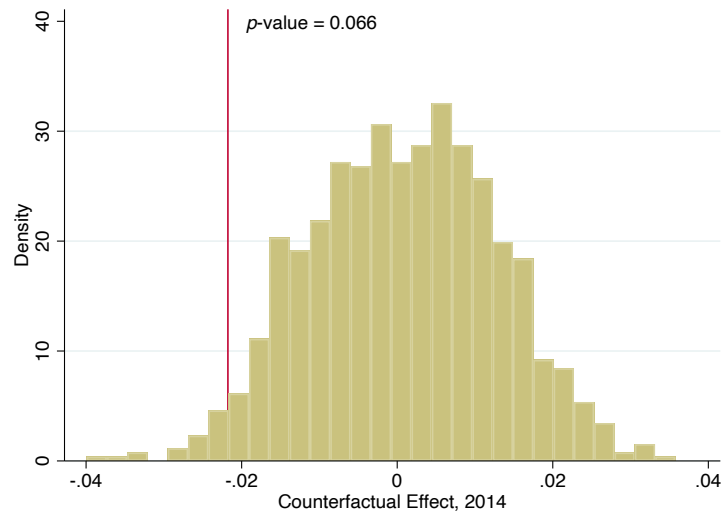
Note: In this figure, political outcomes are regressed on political trust levels (measured on a 0–10 scale or using a dummy). We run two sets of regressions: with and without city fixed effects. The former set is labeled as “Bivariate”, while the latter is labeled as “+ City FE.” There are two categories of behavioral outcomes: (1) political participation (voting in grassroots elections, petitioning rather than protesting if there is dissent) and (2) confidence in the governance of various issues. The solid dots are point estimates of coefficients on political trust and the caps are 90 percent confidence intervals. Robust standard errors are clustered at the city level.

Figure A3: Effects of Investigations on Political Trust Before 2012



Note: The China General Social Survey (CGSS) elicited data on political trust (in local government) in 2010, 2011, and 2012 (before the campaign). In this figure, we regress political trust on upcoming investigations in 2014 and 2016 (province level, as CGSS only provides a province identifier), interacted with dummies for 2010, 2011, and 2012, and controlling for province and year fixed effects. The number of investigations (D) is standardized. The solid dots are point estimates of coefficients on investigations and the caps are 90 percent confidence intervals. Robust standard errors are clustered at the province level.

Figure A4: Placebo Test



Note: This figure is derived from 1,000 permutations. The bars display the distribution of counterfactual estimates. The vertical line marks the true estimate.

Table A1: Correlates of Cumulative Investigations

	D^{14}		D^{16}	
	(1)	(2)	(3)	(4)
Political trust dummy (2012)	0.123* (0.070)	0.012 (0.071)	0.135* (0.070)	-0.006 (0.066)
% Public employment	-0.077** (0.032)	-0.012 (0.042)	-0.109*** (0.033)	-0.018 (0.037)
% Private employment	-0.314*** (0.099)	0.032 (0.206)	-0.317*** (0.097)	-0.073 (0.221)
ln(GDP p.c.)	0.127 (0.183)	0.077 (0.238)	-0.124 (0.185)	-0.113 (0.199)
ln(tax p.c.)	-0.246 (0.201)	-0.468* (0.236)	-0.103 (0.175)	-0.327* (0.187)
ln(wage rate)	0.588*** (0.187)	0.890** (0.388)	0.624*** (0.168)	0.875*** (0.283)
GR. % public employment	-0.054 (0.062)	-0.072 (0.084)	-0.115* (0.064)	-0.122 (0.076)
GR. % private employment	-0.175* (0.089)	-0.211 (0.197)	-0.224** (0.108)	-0.281 (0.197)
GR. ln(GDP p.c.)	-0.009 (0.042)	-0.041 (0.072)	-0.021 (0.050)	-0.055 (0.068)
GR. ln(tax p.c.)	0.148 (0.103)	0.227* (0.128)	0.080 (0.085)	0.186* (0.096)
GR. ln(wage rate)	-0.109*** (0.032)	-0.080 (0.061)	-0.129*** (0.037)	-0.073 (0.051)
Province FE		Y		Y
<i>F</i> stat.	8.326	0.912	9.142	1.070
<i>F</i> -test <i>p</i> -value	0.000	0.533	0.000	0.396
N	115	115	115	115
R-sq	0.363	0.574	0.311	0.639

Note: All dependents and independents are standardized. "GR." = growth rate. Economic variables are an average of values from 2000 to 2010. Robust standard errors are reported in parentheses. The null for the *F* test is that coefficients on all independents are zero.

* $p < 0.1$ ** $p < 0.05$ *** $p < 0.01$

Table A2: Effect of Anti-Corruption on Political Trust (Scale 0–10)

	(1)	(2)	(3)	(4)
$D^{14} \times T^{14}$	-0.092**	-0.090**	-0.069*	-0.066*
	(0.040)	(0.041)	(0.040)	(0.039)
$D^{16} \times T^{16}$	-0.035	-0.034	-0.047	-0.047
	(0.042)	(0.041)	(0.040)	(0.040)
DV mean, pre-campaign	4.822	4.822	4.822	4.822
Individual FE	Y	Y	Y	Y
Year FE	Y	Y	Y	Y
Cohort \times year FE		Y	Y	Y
Indiv. char. \times year FE			Y	
Fam. bkgd. \times year FE			Y	Y
N	35,850	35,850	35,850	35,850
R-sq	0.568	0.569	0.571	0.571

Note: The dependent variable is the political trust scale (0–10). The number of investigations (D) is standardized. Individual characteristics include gender, indicators of educational attainment, *hukou* status, Han ethnicity, Communist Party membership, and state sector employment. Family background includes parents' educational attainment and their Communist Party membership. Robust standard errors, clustered at the city level, are reported in parentheses.

* $p < 0.1$ ** $p < 0.05$ *** $p < 0.01$

Table A3: Correlations Between Political Trust and Individual Characteristics

	(1)	(2)	(3)	(4)
	Political Trust	Dummy	Political Trust	(Scale 0–10)
Age	0.003*** (0.000)	0.004*** (0.001)	0.020*** (0.002)	0.026*** (0.003)
Male	-0.003 (0.009)	0.007 (0.010)	-0.079* (0.045)	-0.012 (0.052)
Han ethnicity	-0.076*** (0.015)	-0.085*** (0.017)	-0.524*** (0.080)	-0.583*** (0.085)
Urban	-0.063*** (0.009)	-0.067*** (0.011)	-0.504*** (0.048)	-0.495*** (0.055)
Communist Party member	0.108*** (0.017)	0.111*** (0.019)	0.613*** (0.083)	0.615*** (0.094)
State sector employee	-0.028 (0.018)	-0.027 (0.021)	-0.076 (0.083)	-0.069 (0.099)
Years of educ.	-0.001 (0.001)	-0.000 (0.001)	-0.013** (0.006)	-0.005 (0.007)
Degree completed, father	-0.008* (0.005)	-0.008 (0.006)	-0.032 (0.026)	-0.023 (0.029)
Degree completed, mother	-0.003 (0.007)	0.006 (0.008)	-0.067** (0.033)	-0.031 (0.039)
Communist Party member, father	-0.022* (0.012)	-0.019 (0.014)	-0.036 (0.062)	-0.064 (0.071)
Communist Party member, mother	0.041 (0.029)	0.069** (0.033)	0.111 (0.141)	0.170 (0.161)
Attention to corruption news		-0.032** (0.013)		-0.257*** (0.063)
ln(# Confucian temples)		0.001 (0.003)		-0.024 (0.018)
Share of Govt. Weibo users		-0.266 (0.715)		-3.721 (3.675)
Share of Deleted Weibo posts		-0.285* (0.152)		-1.325* (0.780)
Family purged in Revolutions		-0.034** (0.016)		-0.236*** (0.079)
Witnessed violent CR		-0.024** (0.011)		-0.102* (0.056)
observations	12521	9840	12521	9840
R ²	0.018	0.021	0.034	0.037

Notes: Robust standard errors are reported in parentheses. * $p < 0.1$ ** $p < 0.05$ *** $p < 0.01$

Table A4: Robustness Check: Heterogeneity-Robust Estimator

	β	SE	p -value
2014, 25%	-0.040	0.023	0.079
2014, 50%	-0.036	0.019	0.061
2016, 25%	-0.015	0.014	0.283
2016, 50%	-0.008	0.012	0.485

Note: The dependent variable is the political trust dummy. [de Chaisemartin et al. \(2022\)](#)'s heterogeneity-robust estimator is implemented. For implementation, a low-intensity group needs to be defined for comparison. We define it as being below the first quartile or the median.

Table A5: Education, Socioeconomic Status, and Political Trust

	(1)	(2)	(3)	(4)	(5)
$D^{14} \times T^{14}$	-0.061*** (0.015)	-0.024 (0.015)	-0.020** (0.008)	-0.021** (0.008)	-0.058*** (0.017)
$D^{16} \times T^{16}$	-0.043*** (0.008)	-0.027*** (0.009)	-0.010 (0.009)	-0.011 (0.009)	-0.050*** (0.009)
$D^{14} \times T^{14} \times \text{Schooling}$	0.005*** (0.001)				0.006*** (0.001)
$D^{16} \times T^{16} \times \text{Schooling}$	0.005*** (0.001)				0.004*** (0.001)
$D^{14} \times T^{14} \times \text{Urban hukou}$		0.006 (0.016)			-0.006 (0.017)
$D^{16} \times T^{16} \times \text{Urban hukou}$		0.030** (0.012)			0.018 (0.011)
$D^{14} \times T^{14} \times \text{CPC member}$			-0.020 (0.019)		-0.038* (0.019)
$D^{16} \times T^{16} \times \text{CPC member}$			0.007 (0.013)		-0.010 (0.014)
$D^{14} \times T^{14} \times \text{State employee}$				0.002 (0.015)	-0.019 (0.015)
$D^{16} \times T^{16} \times \text{State employee}$				0.016 (0.012)	-0.009 (0.013)
DV mean, pre-campaign	0.632	0.632	0.632	0.632	0.632
Individual FE	Y	Y	Y	Y	Y
Year FE	Y	Y	Y	Y	Y
Covariates	Y	Y	Y	Y	Y
N	35,850	35,850	35,850	35,850	35,850
R-sq	0.509	0.509	0.508	0.508	0.509

Note: The dependent variable is the political trust dummy. The number of investigations (D) is standardized. Individual characteristics include gender, indicators of educational attainment, *hukou* status, Han ethnicity, Communist Party membership, and state sector employment. Family background includes parents' educational attainment and their Communist Party membership. Robust standard errors, clustered at the city level, are reported in parentheses.

* $p < 0.1$ ** $p < 0.05$ *** $p < 0.01$