Great Expectations: The Persistent Effect of Institutions on Culture[*]

Anastasia Litina[†]

September 16, 2014

Abstract

This research exploits the event of immigration to establish that institutions have a persistent effect on culture. It is argued that immigrants coming from corrupt countries, tend to overtrust the institutions at the host country. This *inflated* trust of immigrants is documented as the *Great Expectations* effect. This result is interesting and intriguing for several reasons. First, it highlights the persistent effect of institutions (at the origin country) on the cultural attitudes of immigrants. Interestingly, this effect is rather persistent and can be detected even to the second generation immigrants. Second, the analysis explores whether mean attitudes at the origin country have an effect on immigrants' attitude. The findings suggest that mean attitudes do not confer a statistically significant effect, whereas a horserace between origin institutions and origin culture suggests that it is the effect of institutions that prevails. Last, the analysis establishes that the inflated trust of immigrants affects their political attitudes. Immigrants coming from corrupt countries tend to be less interested in politics, to overtrust the host governments and to be less active in the political arena. In a globalized world where international immigration is rather extensive, pinning down the cultural differences across immigrants and thus the differences in their political attitudes is of an essence.

Keywords: Trust, Institutions, Culture, Migration

JEL Classification Numbers: F22; O17

1 Introduction

The interplay between culture and political institutions has long been debated and explored in the economics literature. Identifying the traces of culture, contributes to pinning down differences across societies that cannot be fully accounted for by geographical, historical and economic differences. Moreover, acknowledging the presence of cultural differences across societies, triggers questions as to the origin of these differences and thus the determinants of culture. The aim of this paper is to identify institutions as one of the determinants of culture.

Attempting to give a response to the question whether culture or institutions came first is tantamount to the "chicken-egg" question. Thus, addressing the issue of endogeneity inherent in their between relationship is a challenging task. A number of intuitive approaches have been adopted, such as exploiting exogenous institutional shocks, in order to establish a causal effect running from institutions to culture. Representative examples of these approaches are the experience of socialist regimes or the fall of the iron curtain (e.g. Shiller et al. (1992), Alesina and Fuchs-Schundeln (2007)).

This research attempts to undertake this challenge via exploiting the event of immigration in order to establish the persistent effect of institutions on culture. In particular, it is argued that immigrants coming from corrupt countries, tend to overtrust the institutions at the host country. This *inflated* trust of immigrants is documented as the *Great Expectations* effect. This result is interesting and intriguing for several reasons. First, it highlights the persistent effect of institutions (at the origin country) on the cultural attitudes of immigrants. Interestingly, this effect is rather persistent and can be detected even to the second generation immigrants. Second, the analysis explores whether mean attitudes at the origin country (i.e., mean trust towards institutions at the origin country) have an effect on the immigrants attitude. The results of the empirical section suggest that in the case of trust towards institutions, mean attitudes at home do not confer a significant effect. More importantly, a horserace between origin institutions and origin culture suggests that it is the effect of institutions that prevails. Last, the analysis establishes that the inflated trust of immigrants affects their political attitudes and participation. Immigrants coming from corrupt countries tend to be less interested in politics, to overtrust the host governments and to be less active in the political arena. In a globalized world where international immigration is rather extensive, pinning down the cultural differences across immigrants and thus the differences in their political attitudes is of an essence.

Analytically, the empirical part of the paper explores three main hypothesis. The first hypothesis is whether a *Great Expectations* effect exists, i.e., whether immigrants coming from countries with low quality of institutions tend to overtrust host institutions. To explore this hypothesis, a sample of 22997 first and second generation immigrants is exploited, derived from the European Social Survey (Rounds 2 (2004)-6 (2012)). These immigrants come from

134 countries and have immigrated to 34 European countries. The cultural attitudes that are explored are trust in the (host) parliament, legal system, politicians and political parties. The findings of the empirical section suggest that immigrants coming from corrupt countries (the measure of corruption employed is the ICRG index of corruption)[1] tend to overtrust political institutions at the host country. This effect is stronger for the first generation immigrants and somewhat attenuated, but still present, in the second generation immigrants. Notably, this effect is present even after controlling for a large number of controls capturing the socioeconomic status of the immigrant as well as the process of assimilation.

Is this an anticipated result? The answer is ambivalent. On the one hand this finding sounds rather plausible, i.e., trusting the institutions of other countries more than the institutions in your (corrupt) country. On the other hand, the literature on interpersonal trust suggests the opposite, i.e., that individuals coming from corrupt countries tend to be mistrustful towards other individuals in general, i.e., they manifest lower levels of interpersonal trust. This finding is also confirmed in the context of this paper, using the same sample of immigrants. The analysis establishes that immigrants coming from more corrupt countries tend to mistrust other people even in the host country. Yet, they overtrust host institutions. These findings underline a divergence in the two types of trust. Low institutional quality at the origin country triggers different effects on each type of trust, i.e., it increases immigrants' trust towards host institutions and decreases interpersonal trust of immigrants in the host country.

The second hypothesis further challenges the *Great Expectations* effect. Is it origin institutions that affect immigrants' trust in institutions or is it the mean attitudes at home, i.e., cultural inertia? To explore this hypothesis, the analysis runs a horserace between origin institutions and mean attitudes. The results clearly suggest that: i) mean attitudes at home have no effect on immigrants trust, and ii) the dominant effect is that of origin institutions. The second hypothesis clearly suggests that institutions have a persistent effect on culture. Moreover, these findings are again in contrast with the findings on interpersonal trust which suggest that mean trust at home is the dominant factor affecting the level of interpersonal trust of immigrants.

Having established the dominance of the *Great Expectations* effect, the third hypothesis explores its practical implications. In particular, it establishes that immigrants coming from corrupt countries tend to prefer a stronger government, find it more important to follow rules, are less likely to participate in political campaigns, are less likely to sign a petition and overall are less interested in politics. These results prevail even after accounting for the difficulties that they may face as a discriminated group and their degree of assimilation and are line with the rational of Aghion et al. (2010), who argue that higher trust of individuals

---

[1]The results are robust to the use of alternative measures of institutional quality.

towards institutions is associated with lower demand for regulation in the host country and thus lower willingness to actively participate in politics. Evaluating whether this is a good or a bad political outcome is beyond the scope of the analysis. Yet, one can identify both positive and negative aspects. On the positive side it can be desirable as lower demand for regulation is associated with lower actual regulation and lower bureaucratic burden (Aghion et al., 2010). On the negative side it can be argued that less active citizens impose a lower level of checks and balances towards institutions which may deteriorate institutional quality in the long run.

A number of interesting issues, associated with the *Great Expectations* hypothesis, merit further discussion. First, as already analyzed above there is a clearly different pattern between the determinants of interpersonal trust and trust in institutions. The empirical section of the paper establishes the differences between these two types of trust while employing the same sample of immigrants. Second, it is discussed whether this effect is driven by immigrants coming from poor countries or whether it is valid even for immigrants coming from developed countries. Restricting the analysis to a sample of European immigrants, whose countries are in a similar stage of development, suggests that the results are valid even for the restricted sample (with the exception of trust in the legal system, thus highlighting the differences between perceptions of legal and political institutions). Moreover, explicitly exploring how the stage of development affects the analysis, yields similar results. Last, the issue of selection is extensively explored. A number of arguments, lengthily discussed below, suggest that selective immigration is not driving the *Great Expectations* effect. More importantly, conducting the same analysis in a sample of pairs of immigrant groups, who all reside in the same host country, suggests that differences in the levels of corruption of their origin countries can account for differences in their levels of trust towards the host institutions. Therefore, even if all immigrants select their destination country for its good institutions, the bilateral analysis can net this effect out and still establish the *Great Expectations* effect. Finally, the empirical results are robust to an extensive set of robustness checks.

The mechanics of the *Great Expectations* effect are laid down in a simple theoretical model. The model describes three possible states of the world: i) a state where no immigration occurs, ii) a state where immigration takes place driven by exogenous differences in wages, and iii) a stage where immigrants may transmit their cultural traits to their offspring. The theoretical analysis establishes that as long as the individuals manifest different cultural traits this may lead to different levels of trust towards institutions, to different levels of political participation as well as to the emergence of a culturally heterogeneous group where both traits may coexist. An extension of the model addresses the issue of selection and indicates why this effect is not driven by selective immigration.

Section 2 explores in detail the related literature. Section 3 of the paper presents a simple model that captures the mechanics of the *Great Expectations* effect. Section 4 describes

the data, the empirical strategy and extensively discusses the issue of selective immigration. Section 5, presents the baseline empirical results of the paper. Section 6 discusses some issues related to the baseline analysis, whereas Section 7 concludes.

2   Related Literature

This paper relates to several strands of the literature on cultural economics. First it builds upon the literature that identifies the transmission of cultural traits via exploiting the event of immigration. Giuliano (2007) has exploited variations in the living arrangements of second generation immigrants living in the US to establish that the sexual revolution of the 70's had a differential impact on the living arrangements in Northern and Southern Europe. Fernández and Fogli (2009) have exploited variations in the fertility rates of second generation women currently residing in the US and have established that differences in fertility can be traced to differences in culture. Alesina and Giuliano (2010) establish that the structure of the family has a pronounced effect on the economic behavior and the attitudes of immigrants and affects both labor force participation and mobility of women and the youth. Algan and Cahuc (2010) have exploited the cultural transmission of trust traits in order to construct a panel for trust attitudes and estimate a causal effect of trust on growth. Luttmer and Singhal (2011) highlight that differences in the preference for redistribution are positively correlated to the mean preferences of the country of origin. Carpantier and Litina (2014) exploit the inherited component in the religiosity of second generation immigrants to explore the effect of several aspects of religiosity on economic outcomes. Litina et al. (2014) argue that environmental preferences are not affected by the country of origin environmental conditions, instead what prevails is the mean preferences at the origin country.

Second, the paper relates to the literature that explores the persistent effect of institutions on culture. The main challenge of this literature is to identify changes in the institutional regime that are exogenous to the forces of cultural evolution. Shiller et al. (1992) explored the effect of socialism on individual traits by exploiting the collapse of communism. The findings suggest that there is hardly any effect on traits such as entrepreneurial spirit, leadership or risk attitudes. Alesina and Fuchs-Schundeln (2007) exploit the natural experiment of the German unification to establish that East Germans are more favorable towards redistribution and state intervention. Becker et al. (2011) advance the hypothesis that the Hapsburg empire has a long lasting effect on current attitudes of individual with respect to trust and corruption in courts and the police. Giuliano and Spilimbergo (2009) exploit exogenous variation from macroeconomic shocks to establish that individuals who have been through a recession at the early stages of their life are more favorable towards government redistribution and are more left-wing oriented.

The interplay between culture and institutions is also a central theme in this literature. This nexus has been identified in Aghion et al. (2010) who explore the correlation between regulation and distrust and argue that in the presence of a high level of trust there is low demand for regulation. Alesina et al. (2010) establish the effect of family ties on labor market regulation and find two different equilibria characterized by high (low) mobility and unregulated labor markets (labor market rigidity) in the presence of strong (weak) family ties. Pinotti (2012) shows that differences in trust capture most of the variation in entry regulations. Michalopoulos and Papaioannou (2013, 2014) argue that culture prevails over institutions and can account for within ethnicity differences in economic performance, as proxied by light density. The interplay between institutions and culture has also been widely developed in the context of the comparative development literature (Acemoglu et al., 2001, 2005; Ashraf and Galor, 2011b; Galor, 2011; Nunn and Wantchekon, 2011; Ashraf and Galor, 2013)).

The paper also relates to a literature from the field of sociology that explores several aspects of the acculturation hypothesis. Anderson and Tverdova (2003) argue that immigrants anticipate more from the political institutions in the new country. Initially their expectations are fulfilled but do not carry to the next generations. Similarly a number of studies have argued that immigrants coming from poor countries with low quality of institutions tend to manifest high levels of trust that dissipate over time with the duration of stay and vanish in the second generation (Michelson, 2003; Wenzel, 2006; Maxwell, 2010; Roder and Muhlau, 2012; Adman and Stromblad, 2013; Roder and Mohlau, 2011).

The contribution of the paper lies in establishing a causal effect from institutions to culture and in capturing the interplay between the two. First, it exploits variations in the quality of institutions at the origin country to explore whether origin institutions have an effect on the cultural attitudes of immigrants. Interestingly, the findings suggest that immigrants coming from corrupt countries tend to manifest an *inflated* level of trust in host institutions, an effect that is documented as the *Great Expectations* effect and is transmitted even to the second generation immigrants. Second, it dissects the forces behind the formation of culture. It identifies two forces, the effect of institutions at the origin country vs. the effect of mean attitudes at the origin country. It establishes that the *Great Expectations* effect is solely driven by the quality of origin institutions whereas mean attitudes do not have any effect on trust in institutions. Third, the policy results of this paper indicate that immigrants coming from corrupt countries demand less regulation and are less active politically in the host country.

Last, it contributes to a large literature that has explored the effect of interpersonal trust on the society and the economy. See e.g. Knack and Keefer (1997) and Guiso et al. (2006) for an exploration of the effect of social capital on economic performance, Guiso et al. (2004) for the effect of social capital on financial markets, Sangnier (2013) for the effect of trust on macroeconomic stability and Algan and Cahuc (2010) for the (causal) effect of trust on growth.

Whereas the analysis in the paper focuses primarily on political trust, nevertheless the implications on interpersonal trust have been explored as well. The findings are intriguing as they suggest that the *Great Expectations* effect is not present in the case of interpersonal trust. Lower institutional quality is associated with lower levels of interpersonal trust of both immigrants and natives. Moreover, in the horserace between the effect of institutions and of mean interpersonal trust it is mean attitudes at home that prevail. The comparison between interpersonal trust and trust in institutions highlights the divergence in the attitudes of immigrants with respect to these two forms of trust.

3   The Model

The aim of the model is to illustrate a simple mechanism that can give rise to the *Great Expectations* effect i.e., the inflated level of the trust of immigrants towards the host institutions. The decision to immigrate is exogenous and assumed to be driven by purely economic incentives, i.e., by higher wages in the host country. The analysis explores three cases: i) the case where no immigration has taken place, ii) the case where immigration has taken place, and iii) upon immigration, the transmission of cultural traits from immigrants to their offspring.

The underlying assumption in case (ii) is that no selective immigration takes place. The analysis in case (ii) is further extended to discuss potential selection concerns, i.e., the possibility that individuals immigrated not driven by economic incentives, instead driven by their preferences for the institutions of the host country. The findings of this part are in line with the literature that discusses selection as well as the results of the empirical section of the paper, and suggest that selection is not the driving force behind the *Great Expectations* effect.

3.1   Case I: No Immigration

Assume that the world is populated by two groups, group a and group b, that are exactly identified with a cultural trait, also denoted by a and b. For simplicity it is assumed that each group is homogeneous represented by a single individual i, where $i = a, b$. The utility function of each individual is given by

$$U_i = C_i - D(I_i). \tag{1}$$

C_i denotes consumption and is described by the equation $C_i = (1 - l_i)w$. Each individual has one unit of time that he allocates between work and leisure, where $(1 - l_i)$

is the fraction of time allocated to work ($0 \leq l_i \leq 1$). w_i is the exogenous wage rate for each unit of labor.

$D(I)$ is a term that captures distrust towards perceived institutional quality, I, and thus suggests that individuals derive disutility from distrust towards bad institutions. For the shake of convenience, an explicit simplified functional form for distrust is defined, given by

$$D = 1/I_i = \beta_i(\bar{A}_i, \bar{\beta}_i)/l_i A_i. \tag{2}$$

I_i is defined as "perceived institutional quality" since it comprises a subjective component, i.e., how individuals perceive the quality of institutions, and an objective component, i.e., the actual quality of institutions. The subjective component, β_i, is the cultural component associated with institutional quality, i.e., the individual subjective evaluation of institutional quality. In particular, it is interpreted as intolerance towards bad institutions. The higher is the value of β_i, the higher is the intolerance of the individual towards bad institutions and thus the higher is his disutility for each given quality of institutions. Two are the factors that determine the level of $\beta_i(\bar{A}_i, \bar{\beta}_i)$: i) the mean attitudes of the other individuals who live in the same country, $\bar{\beta}_i$, and ii) the effect of the average quality of institutions at the residence country, $\bar{A}_i$.[2] Based on empirical evidence, it is assumed that $\partial\beta_i(\bar{A}_i, \bar{\beta}_i)/\partial A_i > 0$, i.e., intolerance increases with the quality of institutions, and $\partial\beta_i(\bar{A}_i, \bar{\beta}_i)/\partial\bar{\beta}_i > 0$, i.e., there is inertia in attitudes.[3]

A_i is the actual level of institutional quality as is measured by e.g., international organizations' evaluation on the extend of political corruption or of tax evasion. The higher is the actual institutional quality the lower is $D(I_i)$ and thus the lower the distrust towards bad institutions. l_i is the fraction of time that is not allocated to work. For the shake of the empirical hypotheses that will be advanced, it is assumed that the leisure time, l_i, is allocated in activities that are related to political participation and are aimed to reduce the disutility from bad institutional quality, e.g., signing a petition or participating in a political campaign.

The individual chooses l_i in order to maximize

$$\max_{l_i} U_i = (1 - l_i)w_i - \frac{\beta_i(\bar{A}_i, \bar{\beta}_i)}{l_i A_i}. \tag{3}$$

---

[2]It is implicitly assumed that $\bar{A}_i$ captures the average quality of institutions in the past (e.g., the mean of the past x years) and thus is not affected by the current state of institutions A_i. For analytical convenience though it is assumed that if $A_a > A_b \implies \bar{A}_a > \bar{A}_b$ (i.e., no structural breaks in the quality of institutions). Moreover, the dimension of time is not added in the model as it would unecessarily complicate the analysis.

[3]This assumption is supported by evidence from a number of surveys, e.g., the World Values Survey and a number of empirical studies. Kountouris and Remoundou (2013) establish that immigrants coming from countries where the tax morale is low and/or tax institutions are of lower quality, tend to justify tax evasion more. Litina and Palivos (2014) illustrate that on average corrupt countries tend to manifest lower level of tax morale, as well inertia in attitudes related to tax morale. Inertia of other types of attitudes is established in a number of papers described in the literature review.

7

Maximization of 3 yields

$$l_i^* = \left(\frac{\beta_i(\bar{A}_i, \bar{\beta}_i)}{w_i A_i} \right)^{1/2} \tag{4}$$

Lemma 1 describes the comparative static properties of the optimal solution.

Lemma 1 *(Comparative Statics) i)* $\partial l_i^* / \partial \beta_i(\bar{A}_i, \bar{\beta}_i) > 0$, *i.e., the higher is the intolerance for bad institutions,* $\beta_i(\bar{A}_i, \bar{\beta}_i)$, *the more time individuals will allocate to political activities; ii)* $\partial l_i^* / \partial A_i > 0$, *i.e., the higher is the institutional quality,* A_i, *the less time will be allocated to political activities; iii)* $\partial l_i^* / \partial w_i > 0$, *i.e., the higher is the salary,* w_i, *the less will be the time allocated in political activities.*

Proof. Results (i)-(iii) can be obtained by taking the derivatives of l_i^* with respect to each parameter. ☐

3.2   Case II: Immigration

Having described the basic structure of the economy where immigration does not take place, this section will make the simplifying assumption that the individual b (now referred to as an immigrant) moves to the country of individual a (now referred to as a native). As the aim of the model is not to address the issue of endogenous immigration, the decision to migrate is assumed exogenous and is driven by economic incentives, i.e., by higher wages in country a $(w_a > w_b)$. It is also assumed that institutions in the host country a are of better quality than those of the country b, i.e., that $A_a > A_b$, and that individuals coming from corrupt countries are more tolerant with bad quality institutions, i.e., that $\beta_a(\bar{A}_a, \bar{\beta}_a) > \beta_b(\bar{A}_b, \bar{\beta}_b)$.[4]

Using eq. (5) and taking into account that both individuals a and b are now faced with the same salary, w_b, and the same institutional quality, A_a, comparisons between the time allocated to political activities by natives and immigrants, yield the following inequality:

$$l_a^* > l_b^* \text{ for } \beta_a(\bar{A}_a, \bar{\beta}_a) > \beta_b(\bar{A}_b, \bar{\beta}_b) \tag{5}$$

suggesting that immigrants coming from low institutional quality countries, who are more tolerant towards bad institutions $(\beta_a(\bar{A}_a, \bar{\beta}_a) > \beta_b(\bar{A}_b, \bar{\beta}_b))$, tend to allocate less time than the natives in political activities.

Using inequality (4) and extending the argument to the levels of distrust towards host institutions manifested by immigrants and natives, yields that:

$$D(I_a) > D(I_b) \text{ for } \beta_a(\bar{A}_a, \bar{\beta}_a) > \beta_b(\bar{A}_b, \bar{\beta}_b), \tag{6}$$

---

[4]This assumption is based upon empirical evidence. However, to explore the issue of potential selection, the last section of the model challenges this assumption.

i.e., the distrust of natives is higher than the distrust of immigrants coming from countries with lower quality of institutions and higher tolerance towards bad institutions. Inequalities (4) and (5) yield the following proposition, that derives the three testable hypotheses of the empirical section.

Proposition 1 *Immigrants coming from low institutional quality countries and who are more tolerant towards bad institutional quality (i.e., $\beta_a(A_a, \bar{\beta}_a) > \beta_b(A_b, \bar{\beta}_b)$) tend to be more trustful towards host institutions compared to natives (i.e., $D(I_a) > D(I_b)$).*
Moreover:

i) $\partial D(I_b)/\partial \bar{A}_b > 0$, *i.e., the lower is the average (past) institutional quality at the origin country, the lower is the distrust towards the host institutions (the* Great Expectations *effect);*

ii) $\partial D(I_b)/\partial \bar{\beta}_b > 0$ *i.e., the lower is the intolerance towards bad institutions at the origin country, the lower is the distrust towards the host institutions (inertia in attitudes); and,*

iii) Immigrants coming from countries with lower quality of institutions and who are more tolerant towards bad institutions tend to allocate less time to political activities (i.e., $l_a^* > l_b^*$).

3.2.1 Selection

The main assumptions behind the results stated in Proposition 1 are the following: i) each group is homogeneous, and ii) immigrants from countries with lower average institutional quality, $A_a > A_b$, are more tolerant towards bad quality institutions, i.e., that $\beta_a(\bar{A}_a, \bar{\beta}_a) > \beta_b(\bar{A}_b, \bar{\beta}_b)$. Whereas assumption (ii) builds on a number of empirical findings papers, yet it precludes, along with assumption (i), the possibility of selective immigration.

This subsection will assume that immigrants who move to a host country are unaffected by the origin country institutions and mean attitudes, and thus their intolerance towards institutions is not affected by $\bar{A}_a$ and $\bar{\beta}_a$ respectively. Therefore, the fact that $A_a > A_b$ does not necessarily imply that $\beta_a > \beta_b$.

Removing this assumption, and simply assuming that β_b reflects solely the idiosyncrasy of the immigrant, the following cases of selective immigration may emerge:

i) Overly intolerant immigrants, displeased by the quality of institutions at the origin country, move to their selected host country, i.e., $\beta_a < \beta_b$. In that case, using inequalities (5) and (6) would imply that $l_a^* < l_b^*$ and $D(I_a) < D(I_b)$.

ii) Immigrants who choose a host country because of its quality of institutions, and whose intolerance is aligned with that of the natives, move to their selected host country where, $\beta_a = \beta_b$. In that case, using inequalities (5) and (6) would imply that $l_a^* = l_b^*$ and $D(I_a) = D(I_b)$.

In both cases, the findings suggest that if selective immigration took place along the dimension of preferences for institutional quality, the *Great Expectations* effect would not be

detected. The empirical section explores whether selective immigration along the dimension of institutions occurs on not.[5]

3.3   Case III: Cultural Transmission

In this section it is briefly explored whether the immigrant, b, upon having immigrated to the country a, and having manifested higher levels of trust towards host institutions as Proposition 1 suggests, transmits this *inflated* level of trust to his offspring. To explore this hypothesis, a mechanism a la Bisin&Verdier is employed (Bisin and Verdier, 2001). In line with their terminology, it is assumed that each individual, a or b, is associated with the equivalent particular cultural trait, in which case would be intolerance towards bad quality institutions (i.e., β_a and β_b).

Focusing explicitly at the immigrant, b, his utility function is given by

$$U_b = C_b - D(I_b) + T(l_b) + (P_{bb}V_{bb} + P_{ba}V_{ba}), \ a \neq b. \tag{7}$$

The utility is similar to eq. (1) with the addition of two new terms that capture the transmission process. First note that

$$D(I_b) = 1/I_b = \beta_b(\bar{A}_b, \bar{\beta}_b)/\theta l_b A_a. \tag{8}$$

where the new parameter, θ, denotes the fraction of leisure time (l_b) that is allocated to political activities (θl_b). The remaining fraction of leisure time, $1 - \theta$, denotes the effort to pass to the offspring the cultural traits of the parent and is captured by the term $T(l_b) = (1 - \theta)l_b$. This term is defined as imperfect empathy in the Bisin and Verdier model, and reflects the fact that the parent, while altruistic, prefers his own cultural trait and thus exerts some effort to transmit it to his child.

The last term of the utility function, $P_{bb}V_{bb} + P_{ba}V_{ba}$, captures the fact that parents are altruistic and gain utility from their offsprings' future socioeconomic activity, even if they do not belong to the same cultural type. V_{bb} captures the expected utility of an offspring born in a family of type b, who also manifests the trait b. V_{ba} denotes the expected utility of an offspring born in a family of type b, who manifests the trait a.

The probability to obtain the trait b while being raised in a family of the b type, is given by $P_{bb} = d_b(q_b) + (1 - d_b(q_b))q_b$. Analytically, the child that is born in an immigrant family may receive the same cultural trait as the parent via socialization within the family with probability $d_b(q_b)$, where q_i denotes the fraction of individuals who possess the trait i. However there is a probability $1 - d_b(q_b)$, that the socialization within the family is not

---

successful. In that case, two things may happen: i) with probability q_b the trait b is acquired via indirect socialization with the community; or ii) with probability $q_a = 1 - q_b$ the trait a is obtained. This implies that $P_{ba} = 1 - P_{bb} = (1 - d_b(q_b))(1 - q_b)$.

Maximizing eq. (7) w.r.t. I_b yields:

$$l_b^* = \left(\frac{\frac{1}{\theta A_a}(\beta_b(\bar{A}_b, \bar{\beta}_b) + \beta_b(\bar{A}_b, \bar{\beta}_b)P_{bb} + \beta_a(\bar{A}_a, \bar{\beta}_a)P_{ba})}{[w_b - (1 - \theta)][1 + P_{bb} + P_{ba}]} \right)^{1/2} > 0 \text{ if } w_b > (1 - \theta) \qquad (9)$$

According to Bisin and Verdier (2001), for cultural transmission to take place the following condition should hold,

$$\partial l_b^* / \partial q_b < 0, \qquad (10)$$

i.e., socialization within the family and indirect socialization within the community should be substitutes.

Solving for the inequality yields

$$\frac{\partial l_b^*}{\partial q_b} = \frac{1}{2} (l_b^*)^{-1/2} \frac{(\beta_b(\bar{A}_b, \bar{\beta}_b) - \beta_a(\bar{A}_a, \bar{\beta}_a)) P_{bb}'}{[w_b - (1 - \theta)][1 + P_{bb} + P_{ba}]} < 0 \text{ if } \beta_b(\bar{A}_b, \bar{\beta}_b) < \beta_a(\bar{A}_a, \bar{\beta}_a) \qquad (11)$$

The inequality 11 yields the following proposition:

Proposition 2 *(Cultural Transmission of the Great Expectations Effect) Immigrants coming from low institutional quality countries and who are more tolerant towards bad institutional quality (i.e., $\beta_b(\bar{A}_b, \bar{\beta}_b) < \beta_a(\bar{A}_a, \bar{\beta}_a)$) can transmit their inflated level of trust to their off-springs, thus the Great Expectations effect can be traced even to the second generation immigrants.*

4 Data, Empirical Strategy and Selection

Proposition 1 of the model provides three clear testable hypotheses. First, whether there is an effect from the origin country institutions on immigrants' trust in host institutions. Second, on whether there is an effect of mean attitudes at the origin country on immigrants' trust in host institutions. The empirical section augments this hypothesis and runs a horserace between origin institutions and mean attitudes at the origin country in order to explore whether it is institutions or culture that prevail. Last, whether immigrants from more corrupt countries allocate more or less time in political activities.

The empirical section also addresses the findings of Proposition 2, i.e., whether there is cultural transmission to the second generation immigrants. Last, the findings of the empirical section, give an answer as to whether the results are driven by selective immigration or not.

4.1 The Data

The analysis employs data from five waves of the European Social Survey (2004-2012), a cross sectional survey conducted in a number of European countries.[6] The ESS is a cross-national survey that quantifies the attitudes, beliefs and behavioral patterns of citizens in more than thirty European countries. In particular the ESS sample comprises individuals who currently reside in Albania, Austria, Belgium, Bulgaria, Croatia, Cyprus, Czech Republic, Denmark, Estonia, Germany, Finland, France, Greece, Hungary, Iceland, Ireland, Israel, Italy, Kosovo, Lithuania, Luxembourg, the Netherlands, Norway, Poland, Portugal, Russia, Sweden, Slovenia, Slovakia, Spain, Switzerland, Turkey, United Kingdom and Ukraine.

One element in the construction of the dataset is that it provides an immigrant identifier that allows to trace immigrants up to the second generation, as well as concrete information about the mother's and the father's country of origin. This element is crucial since it allows researchers to exploit the event of immigration in order to explore the evolution of cultural traits. The identifying assumption in these studies is that when immigrants move to a host country their current attitudes are no longer directly affected by the economic or the institutional environment at the country of origin. Thus, any effect of the origin country on immigrants' attitudes operates indirectly via culture (Fernández and Fogli, 2009).

The baseline analysis will rely on two sub-samples derived from the ESS: i) An extended sample comprising immigrants from 134 countries who are moving to 34 European (ESS) countries; and ii) a European sample comprising immigrants from 32 European (ESS) countries who are moving to 34 European (ESS) countries. This distinction will serve two purposes. First, to explore whether immigrants from different continents behave differently compared to European immigrants. Second, it will allow to explore whether it is home institutions or mean attitudes at the origin country that have a stronger effect on culture. Whereas the measures of institutional quality are available for a large number of countries (e.g., the ICRG corruption index is available from more than 130 countries), the measures of attitudes at the origin country are available only for the 34 countries of the ESS.

Extended Sample: Immigrants from 134 Countries The analysis reports attitudes of N=22997 first and second generation immigrants, who originate from 134 countries all over the globe and currently reside in 34 European countries. Tables C.1-C.5 describe the immigration flows by birth country. The first column in each table shows the country of origin,

---

[6]The first wave is omitted as it does not provide the immigrant identifier.

Column (2) indicates the number of distinct destination countries in the sample, Column (3) indicates the number of immigrants coming from each country of origin, Column (4) indicates the most prevalent destination country, whereas the last column reveals the number of immigrants that have immigrated to the most prevalent destination country. Similarly, Table C.6 in the Appendix describes the immigration flows by destination country. The first column indicates the destination countries in the sample, Column (2) the number of distinct birth countries of all immigrants that have participated in the ESS questionnaire, Column (3) the total number of immigrants in each destination country, Column (4) the most prevalent birth country and the last column the total number of immigrants coming from the most prevalent country.

Using the immigrant identifier, the sample of immigrants is distinguished between first and second generation migrants ($N_1 = 13007$ and $N_2 = 9990$ correspondingly). First generation immigrants are defined as the individuals who themselves immigrated to the host country, whereas second generation immigrants are defined as those individuals who were born in the host country but whose father's were born in a different country and eventually moved to the host country. To identify the immigrants' country of origin, the analysis employs the individuals' country of origin for the first generation immigrants and the father's country of origin for the second generation immigrants.[7] The baseline analysis is conducted using the total sample of immigrants in order to maximize the number of observations, however the results are replicated for the sample of first and second generation immigrants separately, in order to mitigate selective immigration concerns (Table B.1).[8]

European Sample: Immigrants from 32 Countries   The analysis reports attitudes of N=14545 first and second generation immigrants, who originate from 32 European countries all over the globe and currently reside in 34 European countries. The construction of this sample is identical to the extended sample.

The Variables   The papers employes four alternative dependent variables, i.e., trust in the i) parliament; ii) legal system; iii) politicians; and iv) political parties. Respondents are given the question "Using this card, please tell me on a score of 0-10 how much you personally trust each of the institutions I read out. 0 means you do not trust an institution at all, and 10 means you have complete trust. Firstly [country]'s....[parliament; legal system; politicians; political parties]".

As far as interpersonal trust is concerned, respondents are given the statement "Generally speaking, would you say that most people can be trusted, or that you can't be too careful

---

[7]The results are robust to choosing the mother's country of origin instead. Results are reported in Table B.4 in the robustness section.

[8]The issue of selective immigration is analyzed extensively in the following section.

in dealing with people? Please tell me on a score of 0 to 10, where 0 means you can't be too careful and 10 means that most people can be trusted".

The basic measure of institutional quality employed in the baseline analysis is the ICRG index that ranges from 0 (least corrupt country) to 6 (most corrupt country). The average of the years 1984-1986 is employed.[9]

The ESS also provides information about the age of the respondent, the gender, employment and family status, the highest level of education achieved, level of income, parental and spousal education, citizenship, belonging to a discriminated group or not, and whether the individual voted or not in the last election.

Appendix A provides a detailed description of all the variables used in the baseline analysis and the robustness section.

4.2 Empirical Strategy

The aim of the paper is to explore whether immigrants coming from corrupt countries tend to inflate their trust towards the institutions of the host country or whether they tend to be distrustful towards institutions in general. To provide an answer to this question the empirical analysis takes place in three stages. First it explores the effect of origin institutions on immigrants' trust towards host institutions. Second it runs a horserace between origin institutions and mean attitudes at the origin country in order to explore whether it is institutions or culture that prevail. Finally it explores the policy implications of the results.

Stage 1: The Persistent Effect of Institutions on Culture   In the first stage the analysis explores the effect of origin institutions on immigrants' trust.

The reduced form model is

$$T_{jhit} = \alpha_0 + \alpha_1 \mathbf{C}_i + \boldsymbol{\alpha}_2 \mathbf{I}_j + \boldsymbol{\alpha}_3 \boldsymbol{\Phi}_h + \boldsymbol{\alpha}_4 \mathbf{T}_t + \varepsilon_{jhit} \tag{12}$$

where T is an index of the level of trust of individual j, residing in the host country h, with ancestry i, who participated in the tth ESS round. Four different measures of trust are employed, i.e. trust in the parliament, in the legal system, in politicians and the political parties. C_i is a measure of the quality of institutions at the ancestry country i. The analysis controls for a vector of individual controls such as age, age square, gender, employment and family status, and educational level.[10] Φ_r is a vector of host country fixed effects that

---

[9] The vast majority of the immigrants in the sample left the country before 1990. Thus the choice of this range is aimed to capture the earliest possible conditions of institutions at the origin country. This also justifies the choice of the ICRG measure as opposed to other corruption measures that are available only for later years. However, as Table B.2 suggests the results are robust to the use of alternative measures of institutional quality (e.g., Corruption Perception Index) and an alternative range of years.

[10] Tables B.6, B.3, B.5 and B.4 control for a multitude of additional individual and origin country controls such as individual income, GDP at the origin country, citizenship, potential discrimination, the presence of

captures all time invariant unobserved heterogeneity at the host country level. $\mathbf{T}_t$ is a vector of ESS round fixed effects aimed to capture round specific shocks that could affect individual responses. ε_{jri} is an individual specific error term. The standard errors are corrected for clustering at the dimension of the country of origin.[11]

The empirical results, presented in the next section, establish that $\alpha_1 > 0$, i.e., higher corruption at the origin country is associated with higher trust towards institutions at the host country. Interestingly, whereas residents of corrupt countries tend to mistrust their home institutions, they tend to inflate their trust towards foreign institutions as the analysis based on the immigrant sample suggests.[12]

Stage 2: Horserace Regressions Between Institutional Quality and Mean Attitudes at the Origin Country   The second stage attempts a comparison between the effect of institutions at the origin country and mean attitudes at the origin country. Do they both have an effect on immigrants attitudes? Does this effect go to the same direction? And if not which of the two effects prevails?

The estimated equation is

$$T_{jhit} = \alpha_0 + \alpha_1 \mathbf{C}_i + \beta \mathbf{MP}_i + \boldsymbol{\alpha}_2 \mathbf{I}_j + \boldsymbol{\alpha}_3 \boldsymbol{\Phi}_h + \boldsymbol{\alpha}_4 \mathbf{T}_t + \varepsilon_{jhit} \tag{13}$$

where MP_i denotes mean attitudes at the origin country with respect to each measure of trust, i.e. mean trust in the parliament, the legal system, the politicians and the political parties. The average attitudes are derived by the ESS sample after excluding all immigrants who reside in each country. Therefore the analysis can be conducted only for the European sample.

The results suggest the following: i) mean attitudes at home do not confer a statistically significant effect on immigrants trust towards institutions, and ii) for three out of the four measures (trust in the parliament, the politicians and the political parties) it is the measure of institutional quality that prevails in the horserace, i.e., higher corruption at the origin country is associated with higher trust towards institutions.

---

immigrant networks at the home country, etc. These controls are not included in the baseline analysis due to the fact that the number of observations is significantly reduced. The results remain robust under these alternative specifications.

[11] Double clustering at the dimension of i) the host and the origin country, and ii) the origin country and the ESS round, yields similar results (results not reported in the paper).

[12] Table B.10 reports the results of estimating the following model:

$T_i = \alpha_0 + \alpha_1 \mathbf{C}_i + \varepsilon_i$, where T_i is the average level of natives' trust towards institutions in country i and $\mathbf{C}_i$ is the level of corruption in country i. $\alpha_1 < 0$ suggesting that in a sample of natives, higher corruption is associated with less trust towards institutions. This table reports mere correlations that highlight the contradiction between trust towards native and foreign institutions. A formal analysis of native trust, which is beyond the scope of the paper, would call for resolving the endogeneity problems. Crucially, in the immigrant sample analysis, endogeneity is no longer a concern, particularly for the sample of 2nd generation immigrants.

Stage 3: Policy Implications   Last, the analysis explores the policy implications of the first hypothesis. In line with the argumentation of Aghion et al. (2010), the analysis explores whether the trust of immigrants towards host institutions, partly triggered by the bad institutions at the origin country, has an effect on their demand for regulation and their political attitudes. The reduced form model is

$$R_{jhit} = \alpha_0 + \alpha_1 C_i + \boldsymbol{\alpha}_2 \mathbf{I}_j + \boldsymbol{\alpha}_3 \boldsymbol{\Phi}_h + \boldsymbol{\alpha}_4 \mathbf{T}_t + \varepsilon_{jhit} \tag{14}$$

where R is an index of the level of demand for regulation of individual j, residing in host country h, with ancestry i, who participated in the t ESS round. Five different measures of demand for regulation are employed, i.e. demand for strong government, attitudes towards following rules, participation in political campaign, signing petitions and the level of interest in local politics.[13]   Building on the first stage of the analysis, which suggests that origin institutions have an effect on individual trust in host institutions, the analysis at this stage employs corruption at the origin country as an exogenous determinant of individual trust. The rest of the variables in the estimated equation are the same as in equation (13).

The results of the empirical analysis establish that higher corruption at the origin country is associated with lower demand for regulation and less active political participation of immigrants in the host country.

In all the three estimated models the identifying assumption for α_1 is that there are no omitted factors that are correlated with the average institutional quality at the origin country that affect the individual's trust towards institutions at the country of residence.[14] Thus, anything at the origin country that has a persistent effect on trust attitudes is falling under the broad category of culture (Fernández and Fogli, 2009; Luttmer and Singhal, 2011). Moreover, to the extend that trust attitudes are affected by time invariant factors present at the host country they will be captured by the host country fixed effects.

Selection   The major concern in all these studies that exploit the event of immigration is selective immigration. Selective immigration could be an issue for i) the identification strategy as it would suggest that unobserved factors from the host country can affect the trust attitudes of immigrants directly (and not only indirectly through culture as this study hypothesizes); and ii) whether the documented attitudes of the immigrants are representative of those of the natives.   Starting from the first issue (i-identification), two main sources of selective immigration are usually considered: a) preference based immigration; and b) economically driven immigration.   To resolve these two concerns the analysis employs two approaches.   First, as Luttmer and Singhal (2011) argue, the fact that immigrants from

---

[13]All the variables are analytically described in the Appendix.

[14]This is particularly true for the sample of 2nd generation immigrants who never actually lived in the origin country. Table B.1 confirms the baseline results even for the sample of 2nd generation immigrants.

many different countries move to a number of different European countries, makes it less likely that there is systematically selective immigration along the dimension of trust. Even if there was systematic selective immigration, that would imply perfect alignment along preferences and thus it would be impossible to trace any effect of the origin country on immigrants' attitudes. The second approach is also reassuring as it exploits the sample of second generation immigrants. Whereas this reduces the sample size significantly, yet the fact that these immigrants were born in the host country and never actually lived at the origin country ensures that any effect of the origin country on their attitudes operates via the culture instilled to them by their parents. Even if the parents were a selected sample, this would no longer pose any threat to the identification strategy since exogeneity would not be a concern. Reassuringly the results on second generation immigrants confirm the findings of the baseline analysis.[15]

As far as the second issue is concerned (ii-representativeness),it does not interfere with the aim of the paper which is primarily to document the trust level of immigrants towards foreign institutions, the determinants of these attitudes and to explore their policy implications. In the context of a globalized world where extensive immigration is nowadays a fact, giving an answer to these questions is crucial. Therefore, even if there is selective immigration, and as long as it does not pose any identification concerns as already analyzed above, it would be interesting to establish a novel dimension along which individuals immigrate, i.e., the quality of institutions. On the other hand if indeed there is no selection issue, i.e., if it is not the trustful immigrants that immigrate, then the results of the paper identify the trust of individuals towards foreign institutions. As long as these individuals reside in their countries, then their trust towards foreign institutions does not have any meaningful impact (and more importantly we do not have this type of information in the ESS about the trust of natives towards foreign institutions). However if these individuals immigrate (which is the case in our analysis), then their trust towards these foreign institutions becomes important and has a significant effect on their political participation in the host country.

One approach aimed to address this type of selection is conducted via using a sample of pairs of groups of immigrants who reside in several host countries, e.g., Greek and German groups who reside in Sweden and/or in France. The analysis using this bilateral sample confirms the baseline findings thus suggesting that even if Greek and German groups were self-selected to Sweden, motivated by its very good institutional quality, the results in this section are not driven by the fact that they are moving to Sweden. The unit of analysis is not the immigrant group with respect to the native group, instead it is the first immigrant group (e.g., the Greeks) with respect to the second immigrant group (e.g., the Germans) who both reside in Sweden. After netting out the effect of host country, we can still identify the *Great*

---

[15]See Table B.1.

Expectations effect and thus claim that it is not driven by selection.

5 Empirical Findings

The empirical section is structured around the three stages outlined in the empirical implementation section.

5.1 Stage 1: The Persistent Effect of Institutions on Culture

Table 1 establishes that lower institutional quality in the origin country, measured by the average level of corruption (ICRG), has a positive and significant effect on individual trust in institutions in the host country. The analysis exploits the extended set of immigrants, i.e. of 22997 first and second generation immigrants, who have immigrated from 134 countries to 34 European countries. In particular, four measures of trust in institutions are employed. Column (1) explores the effect of corruption at the origin country on immigrants' trust in the parliament, Column (2) on trust in the legal system, Column (3) on trust in politicians and Column (4) on trust in the political parties. The analysis controls for a number of individual controls such as age, age square, gender, educational level , family and employment status. All specifications include a set of ESS round and of host country fixed effects. The former account for time shocks and trends that are common to all European countries during the collection of the data for each round, e.g. economic shocks. The latter capture all time invariant factors that can affect individual attitudes, which are related to host country conditions such as host institutions and culture, geography, climate, etc.

The coefficient on the quality of institutions is positive and highly significant across all specifications. This implies that an increase in corruption at the origin country is associated with an increase in the level of individual trust in host institutions. This inflated trust is referred to as the *Great Expectations* effect. As far as the magnitude of this effect is concerned, we get a better understanding from the Table B.7 which reports the beta coefficients. The beta coefficients suggest that whereas age and higher education are the most crucial determinants of immigrant trust, yet origin corruption is also quite important. For three of the measures of trust (parliament, politicians and political parties) the coefficient is around 0.07 suggesting that an one standard deviation increase in origin corruption would lead to a 0.07 standard deviation increase in trust towards each of the three institutions. Trust in the legal system is less affected by origin corruption.

[TABLE 1 HERE]

18

Table 2 replicates the same results only for the European sample of immigrants. The results are somewhat different since they highlight that it is only three out of the four measures of trust that are affected by origin institutions, i.e., parliament, politicians and political parties. Trust in the legal system is no longer affected by the origin institutions when it comes to the European sample. This could reflect the fact that either trust in the legal system is affected by other factors such as the stage of development or that individuals consider that the legal system is independent of the political system and more immune to the presence of corruption.[16] Table B.8 reports the beta coefficients for the European sample.

Why are the results of Tables 1 and 2 interesting? Because they report a differentiation in the attitudes of individuals with respect to host and origin institutions. Table B.10 in the Appendix reports that natives who live in corrupt countries tend to mistrust native institutions.[17] However as the results of this stage suggest, this is not the case when it comes to foreign institutions. Based on the immigrant analysis, the findings suggest that immigrants overvalue the quality and their trust towards foreign institutions, particularly when they come from very corrupt countries. In the absence of questions that would ask natives to evaluate foreign institutions, the paper is agnostic as to whether this inflated trust pre-existed or whether it emerged upon the decision to immigrate.

[TABLE 2 HERE]

5.2 Stage 2: Horserace Regressions between Institutional Quality and Mean Preferences at the Origin Country

Upon establishing the effect of origin institutions on immigrant attitudes, the next step is to explore whether mean attitudes at home also have an effect. And if so, does this effect have the same direction as the effect of institutions? In other words being a Greek immigrant in Sweden do you tend to be mistrustful towards institutions (as the average Greek), or you tend to overtrust Swedish institutions due to the fact that they are so much better than the Greek ones (as the *Great Expectations* effect suggests)?[18]

---

[16] The robustness section sheds some light on this results. Table B.3 controls for income per capita at the origin country. Even for the extended sample of immigrants, income seems to be the only determinant of trust in the legal system. On the other hand trust towards parliament, politicans and political parties is unaffected by the insertion of this control. Therefore this result indicates that trust in the legal system is more likely affected by the stage of development rather than the institutional quality.

[17] The table reports mere correlations that highlight the contradiction between trust towards native and foreign institutions. A formal analysis of native trust, which is beyond the scope of the paper, would call for resolving the endogeneity problems. Crucially in the immigrant sample analysis, endogeneity is no longer a concern, particularly for the sample of 2nd generation immigrants.

[18] The importance of mean attitudes at the origin country has been highlighted by Luttmer and Singhal (2011) who have established that preferences for redistribution at the home country are a significant determinant of preferences for redistribution of immigrants.

19

Table 3 gives an answer to all these question by employing the sample of European immigrants, for which we have information on their mean attitudes. Columns (1), (3), (5) and (7) of Table 3 report the effect of the mean attitudes at the origin country on immigrants' trust in the parliament, the legal system, politicians and in political parties respectively, while controlling for the full set of controls and ESS round and host country fixed effects. Interestingly the mean attitudes at the origin country do not confer a statistically significant effect on immigrants' trust.

Running a horserace between origin institutions and mean attitudes (Columns (2), (4), (6) and (8)) reveals that, with the exception of trust in the legal system (which was not in any case significant for the European sample), it is the effect of native institutions that prevails over native culture. The magnitude of the coefficient and the significance somewhat drops, yet the results remain similar to those of Table 2.

[TABLE 3 HERE]

5.3 Stage 3: The Effect of the *Great Expectations* Effect on Demand for Regulation and Political Participation

In the presence of large scale immigration it is crucial to underline the policy implications of the *Great Expectations* effect. In line with Aghion et al. (2010), who suggest that more trust is associated with less demand for regulation, it is explored whether the inflated trust of immigrants affects their demand for regulation in the host country as well as their political participation. Five policy measures are considered that reflect to what extend immigrants: i) prefer a strong government; ii) prefer to follow rules or to be more independent; iii) actively participated in a political campaign by displaying campaign badge; (iv) signed a petition during the last 12 months; and v) are interested in politics. The interpretation of the indices in all five cases indicates that higher values imply less demand for regulation.

Columns (1)-(5) of Table 4 employ the extended sample of immigrants to explore the effect of corruption at the origin country in each of these of these policy outcomes. The analysis controls for the full set of controls. The coefficients in all cases suggest that immigrants coming from more corrupt countries are less willing to participate actively in politics and support the presence of stronger governments. Similar results are obtained in Table 5 which employs the sample of European immigrants.

[TABLE 4 HERE]

[TABLE 5 HERE]

The analysis suggests that the effect of origin corruption on individual demand for regulation and political participation partly operates via its effect on trust. Immigrants coming from more corrupt countries, tend to trust host institutions more (as Stage 1 suggests) and thus they demand for less regulation and are less active in politics (following the logic of Aghion et al. (2010)). This result could operate via additional channels such as the likelihood that they belong to a discriminated group (in which case individuals would be more constrained to participate in politics). Thus the analysis in the robustness section explores this possibility by introducing several controls that capture the stage of assimilation (Table B.9) and the results remain unaffected.[19]

6 Discussion

This section discusses several issues that allow for a better understanding of the *Great Expectations* effect. First, the analysis attempts to highlight the differences between the attitudes of immigrants with respect to trust towards institutions and interpersonal trust. Whereas the literature on interpersonal trust is rather extensive this is not the case about trust in institutions and their between comparison. The findings of this section suggest that there is no evidence of the *Great Expectations* effect when interpersonal trust is considered. Moreover the horserace between mean attitudes and institutional quality establishes that as far as interpersonal trust is concerned, it is the mean attitudes at home that prevail. These results are interesting since they highlight the contradiction between the two types of trust as well as the factors that trigger them.

Second the analysis explores the source of the *Great Expectations* effect, i.e. whether it is driven by immigrants moving to high quality of institutions countries or vice versa. The findings from the baseline analysis (i.e., the European sample) as well as the additional tests conducted in this section suggest that no particular group drives the results.

Last the analysis estimates a model of bilateral differences in trust and explores whether bilateral differences in the quality of institutions at the origin countries can account for bilateral differences in trust in institutions (i.e., whether the differences in trust between e.g., the Greeks and the Swedish who live in Luxembourg can be accounted for by the difference in the quality of institutions between Greece and Sweden). This approach allows to account for an even larger number of unobservables via controlling not only for host but also for origin country fixed effects. It also further addresses selection concerns. The baseline results remain unaffected.

---

[19]Moreover, it should be noted that three out of the five measures (strong government, follow rules and interest in politics) do not reflect actual participation, instead they capture willingness to participate (which would be immune to actual constraints).

6.1 Trust in Institutions vs. Interpersonal Trust

The literature on interpersonal trust documents inertia in attitudes, i.e., immigrants coming from countries where individuals are on average distrustful, tend to be distrustful even in the host country (Algan and Cahuc, 2010). Similarly, the literature suggests that higher corruption is associated with lower level of trust. This section explores this hypothesis using the same sample used in the baseline analysis, in an attempt to draw the differences between interpersonal trust and trust in institutions.

Column (1) of Table 6 employs the extended sample of immigrants, as well as the full set of controls, and establishes that higher corruption at the home country is associated with lower interpersonal trust at the host country. This finding suggests that low institutional quality at the home country is associated with lower levels of trust towards other individuals in the host country. Columns (2) and (3) replicate the analysis using the samples of first and second generation immigrants respectively.

Table 7 restricts the analysis to the sample of European immigrants in order to further explore the effect of mean attitudes at the origin country. Column (1) reports the effect of mean trust at the origin country on the interpersonal trust of immigrants. The coefficient is positive and highly significant confirming inertia of mean attitudes at home. Column (2) reports the results of regressing interpersonal trust on the mean level of corruption at the home country. The negative coefficient suggests that higher corruption at the origin country is associated with lower interpersonal trust at the host country. Column (3) runs the horserace between the two, indicating that mean attitudes at home is the dominant determinant. All three columns control for the full set of controls of the baseline analysis.

[TABLE 6 HERE]

The combined results of the two tables suggest that there are major differences between interpersonal trust and trust in institutions. Whereas corruption at the origin country reinforces trust in institutions at the host country, thus is not the case with respect to interpersonal trust. In that case, higher corruption deteriorates the social ties and makes people less trustful towards one another. A second major distinction is that interpersonal trust manifests inertia, i.e., individuals coming from distrustful countries tend to replicate their home attitudes. On the contrary when it comes to trust in institutions, mean attitudes at home do not confer a statistically significant effect. The only factor that matters in that case is institutional quality at the origin country. Overall, to summarize the findings one could say that when immigrants move to a new country they form *Great Expectations* about the host country institutions but not about the people in the host country.

[TABLE 7 HERE]

6.2 Source of the *Great Expectations* Effect: Immigrants Coming from Countries with Better or Worse Institutions?

This section explores the source of the *Great Expectations* effect, i.e. whether it originates from immigrants that move from poor countries to richer countries or whether there is some threshold level of development upon which the results do not hold. The analysis so far suggests, that the stage of development does not play a significant role. The first evidence for this comes from the sample of European immigrants, where the economic differences are not very pronounced, and in which case the *Great Expectations* effect is still present (with the exception of trust in the legal system).

However to further elaborate on this question, the analysis in this section employs a different approach. In particular it interacts the corruption variable with an ordered variable of income per capita at the origin country. This variable has four gradations, as derived by the definition of the World Bank. Table 8 replicates the baseline analysis, with the full set of controls for the extended sample of immigrants, and introduces the interactive terms of corruption with each gradation of income per capita. All the interactive terms are highly significant and positive, thus suggesting that the positive effect of origin corruption on trust attitudes is present under each income category. Note that the results are interpreted with respect to the lowest income category, which is omitted and which refers to poor countries with GDP p.c.< 1026 $ per year. The magnitude of the coefficients perhaps suggests that this effect is stronger for countries whose income lies in the range between 4036 $<GDP<12476 $, but the differences are not overly pronounced.

The fact that the corruption index comes as insignificant is not alarming as it cannot be meaningfully interpreted in a regression that includes an interactive term. To properly test whether origin corruption is still significant after controlling for income per capita at home, one should run the same regression without the interactive term. Table B.3 at the robustness section establishes the robustness of the results to controlling for income per capita at the origin country.

[TABLE 8 HERE]

6.3 Addressing the Issue of Selection and of Unobservable Heterogeneity at the Origin Country

This section aims to capture a larger number of unobservables associated not only with the host country but also with the origin country via controlling for host country fixed effects. Moreover it further addresses the issue of selection of immigrants towards countries with high quality institutions. To achieve these goals, the analysis employs a sample of pairs of

immigrants who reside in a third host country, i.e., pairs of Greeks and Germans who live in Sweden and/or in France, etc. The question that is asked here is whether bilateral differences in trust can be explained by bilateral differences in the quality of institutions.

The estimated model is given by

$$\Delta(T_{g2} - T_{g1})_h = \alpha_0 + \alpha_1 \Delta(C_{g2} - C_{g1})_h + \boldsymbol{\alpha_2}\boldsymbol{\Phi}_h + \boldsymbol{\alpha_3}\mathbf{I}_{g1} + \varepsilon_{hg1g2} \tag{15}$$

where $\Delta(T_{g2} - T_{g1})_h$ denotes the differences in trust in institutions between the group 1 and group 2 (e.g., Greeks and Germans) who both reside in the host h (e.g., Sweden). Note now that the analysis does not take place at the individual level, instead the unit of analysis is the average level of trust of each group of immigrants. $\Delta(C_{g2} - C_{g1})_h$ denotes the difference in corruption at the origin country of group 1 and group 2. Φ_r is a vector of host country fixed effects that captures all time invariant unobserved heterogeneity at the host country level. $\mathbf{I}_{g1}$ is an origin country fixed effect for group 1. ε_{hg1g2} is a pair specific error term. The standard errors are corrected for clustering at the dimension of the pairs of immigrant groups.

[TABLE 9 HERE]

Table 9 reports the results for each measure of trust while using a sample of 21962 pairs of groups of immigrants who currently reside in 34 European countries. Columns (1), (3), (5) and (7) report that the higher is the difference in corruption between the origin countries of groups 1 and 2, the higher are the differences in the levels of trust in institutions. Columns (2), (4), (6) and (8) replicate the same analysis while controlling for differences in income per capita at the origin country. The results are quite similar to the baseline analysis suggesting that they are robust to the inclusion of this additional control. The only measure that does not survive controlling for income per capita is trust in the legal system, as was the case in the baseline analysis.

Overall the results of this section are reassuring as to the concerns about the selection of immigrants. First the analysis accounts for most of the unobserved heterogeneity by controlling for both host and origin country fixed effects. Second it suggests that selective immigration is not the source of the *Great Expectations* effect. The bilateral analysis does no longer derive the *Great Expectations* effect by comparing the group of immigrants to that of natives in the host country. This approach could be susceptible to selection since one could argue that immigrants moved to the host country because they trusted its institutions from the outset. The current analysis compares pairs of immigrants within a given host country. Thus even if the Greeks and the Germans moved to Sweden motivated by its good institutions, this approach can net out this effect. The remaining differences in their between levels of trust are thus partly driven by the *Great Expectations* effect.

7   Robustness

The robustness section establishes the robustness of the baseline analysis (extended sample of all immigrants) to a number of alternative specifications and assumptions such as additional individual and country of origin controls, the use of alternative measures of institutional quality, the validity of the results for the first and second generation immigrants, as well as placebo tests.

7.1   First and Second Generation Immigrants

Table B.1 reports the results of the baseline analysis for first and second generation migrants. This approach allows to trace the cultural transmission mechanism and to mitigate selection concerns related to identification issues. As was the case in the baseline analysis, the country of origin is that of the individual for first generation immigrants and that of their father for the second generation immigrants.

As expected, the results for both the first generation immigrants (Table B.1-Row I) and the second generation immigrants (Table B.1-Row II) are quite similar to the baseline analysis. The coefficients for each of the four measures of trust are positive and highly significant thus establishing the strength and more importantly the transmission of the *Great Expectations* effect. Reassuringly the coefficients for the sample of second generation immigrants are lower thus implying that the intensity of the effect dissipates over time.

[TABLE B.1 HERE]

7.2   Alternative Measures of Institutional Quality and Periods

This section establishes the robustness of the baseline analysis to the use of two alternative measures of institutional quality, e.g. the Corruption Perception Index (CPI) and the WGI measure on control of corruption (CC). Moreover the two measures are employed for different periods as well, i.e. the CPI measure is constructed as the average of the period 1995-2000, whereas the CC measure is the 2000 value.

Table B.2 reports the results of this robustness check. Row I reports the ICRG coefficients, whereas Row II reports the CC coefficients. In both cases the results remain unaffected with only minor changes on the magnitude of the coefficients.

[TABLE B.2 HERE]

The results of Table B.2 are reassuring as to concerns that are inherent in the estimation of the corruption, i.e., the fact that they build on perception measures and could be subjected

to sharp movements in the presence of important events, e.g. a scandal. This concern is already addressed by taking the average of three years, an approach that smooths out the effect of temporary shocks. However this effect is further mitigated by using alternative measures, such as the CPI or the WGI aggregated for different periods. Moreover, in line with the Fernández and Fogli (2009) argument, to the extend that culture is slowly evolving, one should be able to find a significant effect of home conditions on cultural attitudes of migrants even if home conditions are measured at a later period. Similarly for the institutional quality measures, whereas they reflect perceptions and are thus vulnerable to shocks, nevertheless it is plausible to argue that e.g., Greece would systematically report higher corruption than Sweden.

7.3 Additional Controls from the Origin Country

The concern about unobservables associated with the origin country has extensively been addressed in the discussion section in the context of the bilateral analysis. The bilateral analysis employs not only host but also origin country fixed effects. However in the context of the baseline analysis another approach is adopted, i.e. controlling for income per capita at the origin country. The measure of income is the mean of the period 1950-1990 so as to mitigate the effect of short term fluctuations and to reflect the overall stage of development of the country in the early years where many immigrants left the country.

[TABLE B.3 HERE]

The results reported in Table B.3 suggest that higher income per capita is negatively and significantly correlated with trust in the host country. Thus individuals coming from developed countries, and thus more likely from countries with good institutions tend to be less trustful towards native institutions. Nevertheless, the effect of corruption at the home country is still highly significant and positive, with somewhat smaller coefficients that in the baseline analysis, suggesting that the effect of corruption partly operates via income. The only variable which does not survive controlling for income, is trust in the legal system. One explanation could be that the legal system is more closely related to the evolution of the economy and less related to political institutions such as the parliament, the parties and the politicians. This conviction is reinforced even in the bilateral analysis (Table 9) and the discussion on the source of the *Great Expectations* effect (Table 8).

7.4 Alternative Specifications

This section establishes the robustness of the baseline analysis to a number of alternative specifications. Row I of Table B.4 introduces a number of controls that capture the assimilation process of immigrants. These controls are: i) citizenship, ii) the right to vote, iii) duration

of stay, iv) whether individuals belong to a discriminated group. These controls are plausible only for the sample of second generation immigrants thus the analysis is restricted to them only. The coefficients remain unaffected with the exception of the coefficient on trust in the legal system.

Row II employs the extended sample of first and second generation immigrants and augments the analysis with controls on mother's, father's and spouse's education. It also introduces controls on the employment status of the father and the mother (when the individual was at age 14). Both the magnitude and the significance of the coefficients remain unaffected.

Row III conducts placebo regressions by allocating randomly different levels of corruption to immigrants, i.e., associating the trust of a Greek immigrant with the corruption level of e.g., Germany. Reassuringly the coefficient on the placebo corruption comes everywhere insignificant.

Row IV conducts weighted regressions, taking into account the particular weight associated with each immigrant. The results remain unaffected.

Finally Row V regresses associates each second generation immigrant with the country of origin of his mother (instead of the origin of the father as was the case in the baseline analysis). Similarly, the magnitude and the significance of the coefficients remains unchanged.

[TABLE B.4 HERE]

Table B.5 augments the baseline analysis using a measure of the intensity of networks of the same origin in the host country. To construct this measure the analysis controls for the number of immigrants of the same origin who reside in each host country, i.e., the number of Greeks who reside in Sweden.[20] Interestingly the coefficient on networks is negative and significant for three out of the four variables (legal system, politicians and parties). The interpretation of this coefficient suggests that the larger a network is, the less trustful is the immigrant. One possible interpretation is that larger networks delay the assimilation process of an immigrant. Nevertheless, the coefficients on corruption remain unaffected thus suggesting that the presence of networks does not mitigate the effect of origin corruption on the trust levels of immigrants.

[TABLE B.5 HERE]

Finally, Table B.6 augments the baseline analysis with fixed effects for 12 income categories. Overall the results suggest that higher income is associated with higher trust towards institutions, without though affecting the coefficients on corruption.

---

[20]The number is derived from the ESS.

8   Conclusion

This research establishes the persistent effect of institutions on culture exploiting the event of immigration. It theoretically and empirically advances the hypothesis that lower institutional quality at the origin country of an immigrant is associated with higher trust towards host country institutions. The "inflated" trust of migrants is documented as the *Great Expectations* effect and is interesting for several reasons. First it contradicts with the empirically observed attitude of migrants with respect to interpersonal trust, where low quality of institutions is associated with lower interpersonal trust in both the host and the home country. Second, the "inflated" trust persists for both first and second generation migrants, despite the fact that the former are not fully assimilated and thus partially excluded from these institutions and the latter have no direct interaction with the origin institutions. Third, the effect of origin institutions is stronger than the effect of mean trust at home confirming that it is institutions that prevail over culture and not culture as represented by the average attitude at the origin country.

The formation of *Great Expectations* has profound policy implications. The analysis establishes that higher corruption at the origin country is associated with less demand for regulation and less active participation in domestic politics. These findings further highlight the interplay between culture and institutions as is operating via immigration.

References

Acemoglu, D., Johnson, S. and Robinson, J. A. (2001). The Colonial Origins of Comparative Development: An Empirical Investigation, *American Economic Review* **91**(5): 1369–1401.

Acemoglu, D., Johnson, S. and Robinson, J. A. (2005). Institutions as a Fundamental Cause of Long-Run Growth, *in* P. Aghion and S. N. Guif (eds), *Handbook of Economic Growth, Vol. IA*, Elsevier North-Holland, Amsterdam, The Netherlands, pp. 385–472.

Adman, P. and Stromblad, P. (2013). Political Trust as Modest Expectations.

Aghion, P., Algan, Y. and Cahuc, P. (2010). Regulation and Distrust, *The Quarterly Journal of Economics* **125**(3): 1015–1049.

Alesina, A., Algan, Y., Cahuc, P. and Giuliano, P. (2010). Family Values and the Regulation of Labor. NBER Working Paper No. 15747.

Alesina, A. and Fuchs-Schundeln, N. (2007). Goodbye Lenin (or Not?): The Effect of Communism on People, *American Economic Review* **97**(4): 1507–1528.

Alesina, A. and Giuliano, P. (2010). The Power of the Family, *Journal of Economic Growth* **15**(2): 93–125.

Algan, Y. and Cahuc, P. (2010). Inherited Trust and Growth, *American Economic Review* **100**(5): 2060–2092.

Anderson, C. J. and Tverdova, Y. V. (2003). Corruption, Political Allegiances, and Attitudes toward Government in Contemporary Democracies, *American Journal of Political Science* **47**(1): pp. 91–109.

Ashraf, Q. and Galor, O. (2011b). Cultural Assimilation, Cultural Diffusion, and the Origin of the Wealth of Nations. NBER Working Paper No. 17640.

Ashraf, Q. and Galor, O. (2013). The 'Out of Africa' Hypothesis, Human Genetic Diversity, and Comparative Economic Development, *American Economic Review* **103**(1): 1–46.

Becker, S., Boeckh, K., Hainz, C. and Woessmann, L. (2011). The Empire is Dead, Long Live the Empire!

Bisin, A. and Verdier, T. (2001). The Economics of Cultural Transmission and the Dynamics of Preferences, *Journal of Economic Theory* **97**(2): 298–319.

Carpantier, J.-F. and Litina, A. (2014). Religiosity and Growth Revisited: Estimating a Causal Effect. Working Paper.

Fernández, R. and Fogli, A. (2009). Culture: An Empirical Investigation of Beliefs, Work, and Fertility, *American Economic Journal: Macroeconomics* **1**(1): 146–177.

Galor, O. (2011). *Unified Growth Theory*, Princeton University Press, Princeton, NJ.

Giuliano, P. (2007). Living Arrangements in Western Europe: Does Cultural Origin Matter?, *Journal of the European Economic Association* **5**(5): 927–952.

Giuliano, P. and Spilimbergo, A. (2009). Growing up in a Recession: Beliefs and the Macroeconomy, *National Bureau of Economic Research* .

Guiso, L., Sapienza, P. and Zingales, L. (2004). The Role of Social Capital in Financial Development, *American Economic Review* **94**(3): 526–556.

Guiso, L., Sapienza, P. and Zingales, L. (2006). Does Culture Affect Economic Outcomes?, *Journal of Economic Perspectives* **20**(2): 23–48.

Knack, S. and Keefer, P. (1997). Does Social Capital Have an Economic Payoff? A Cross-Country Investigation, *Quarterly Journal of Economics* **112**(4): 1251–1288.

Kountouris, Y. and Remoundou, K. (2013). Is There a Cultural Component in Tax Morale? Evidence from Immigrants in Europe, *Journal of Economic Behavior and Organization* **96**(C): 104–119.

Litina, A., Moriconi, S. and Zanaj, S. (2014). The Cultural Transmission of Environmental Preferences: Evidence from International Migration, *Working Paper* .

Litina, A. and Palivos, T. (2014). Corruption, Tax Evasion and Social Values, *Working Paper* .

Luttmer, E. F. P. and Singhal, M. (2011). Culture, Context, and the Taste for Redistribution, *American Economic Journal: Economic Policy* **3**(1): 157–79.

Maxwell, R. (2010). Evaluating Migrant Integration: Political Attitudes Across Generations in Europe, *International Migration Review* **44**(1): 25–52.

Michalopoulos, S. and Papaioannou, E. (2013). Pre-colonial ethnic institutions and contemporary african development, *Econometrica* **81**(1): 113–152.

Michalopoulos, S. and Papaioannou, E. (2014). National institutions and subnational development in africa, *Quarterly Journal of Economics* **129**(1): 151–213.

Michelson, M. R. (2003). The Corrosive Effect of Acculturation: How Mexican Americans Lose Political Trust, *Social Science Quarterly* **84**(4): 918–933.

Nunn, N. and Wantchekon, L. (2011). The Slave Trade and the Origins of Mistrust in Africa, *American Economic Review* **101**(7): 3221–52.

Pinotti, P. (2012). Trust, Regulation and Market Failures, *Review of Economics and Statistics* **94**(3): 650–658.

Roder, A. and Mohlau, P. (2011). Discrimination, Exclusion and Immigrants' Confidence in Public Institutions in Europe, *European Societies* **13**(4): 535–557.

Roder, A. and Muhlau, P. (2012). Low Expectations or Different Evaluations: What Explains Immigrants' High Levels of Trust in Host-Country Institutions?, *Journal of Ethnic and Migration Studies* **38**(5): 777–792.

Sangnier, M. (2013). Does Trust Favor Macroeconomic Stability?, *Journal of Comparative Economics* **41**(3): 653–668.

Shiller, R. J., Boycko, M., Korobov, V., Winter, S. G. and Schelling, T. (1992). Hunting for Homo Sovieticus: Situational Versus Attitudinal Factors in Economic Behavior, *Brookings Papers on Economic Activity* **1992**(1): 127–194.

Wenzel, J. P. (2006). Acculturation Effects on Trust in National and Local Government Among Mexican Americans, *Social Science Quarterly* **87**(5): 1073–1087.

Tables

TABLE 1: Great Expectations: The Effect of (Origin) Institutions on Immigrant's Trust in Host Institutions-World Sample

	(1)	(2)	(3)	(4)
		Trust in		
	Parliament	Legal System	Politicians	Political Parties
Corruption (Origin)	0.138***	0.090***	0.129***	0.131***
	(0.017)	(0.020)	(0.018)	(0.017)
Age	-0.044***	-0.039***	-0.036***	-0.042***
	(0.006)	(0.006)	(0.006)	(0.005)
Age Square	0.000***	0.000***	0.000***	0.000***
	(0.000)	(0.000)	(0.000)	(0.000)
Women	-0.093*	-0.086**	0.032	0.014
	(0.050)	(0.043)	(0.035)	(0.029)
Education (Lower Secondary)	0.064	0.099*	0.028	0.033
	(0.069)	(0.059)	(0.069)	(0.064)
Education (Upper Secondary)	0.089	-0.002	-0.102*	-0.086
	(0.058)	(0.058)	(0.061)	(0.058)
Lower Tertiary	0.112	-0.010	-0.052	-0.038
	(0.141)	(0.164)	(0.111)	(0.130)
Higher Tertiary	0.562***	0.517***	0.174**	0.136*
	(0.079)	(0.088)	(0.078)	(0.076)
Unemployment	-0.375***	-0.347***	-0.291***	-0.291***
	(0.083)	(0.072)	(0.085)	(0.081)
ESS Round FE	Yes	Yes	Yes	Yes
Host Country FE	Yes	Yes	Yes	Yes
Other Controls	Yes	Yes	Yes	Yes
No. of Origin Countries	134	134	134	134
No. of Host Countries	34	34	34	34
Obs.	22997	22997	22997	22997
R-sq.	0.153	0.159	0.141	0.136

Summary: This table establishes the presence of the *Great Expectations* effect, for the world sample of immigrants. Analytically, the trust of immigrants in: i) the parliament, ii) the legal system, iii) the politicians, and iv) the political parties increases with the level of corruption at the origin country. The analysis controls for individual characteristics such as age, age square, gender, educational level, family and employment status as well as for ESS round and host country fixed effects.

Notes: (i) Corruption is measured by the ICRG Index. The index takes values from 0-6 with 6 indicating the most corrupt country; (ii) The variables "Trust in Parliament", "Trust in the Legal System", "Trust in Politicians" and "Trust in the Political Parties" refer to the host country and take values from 0-10 with 0 denoting "no trust at all", and 10 denoting "complete trust"; (iii) Robust standard error estimates, clustered at the dimension of the country of origin, are reported in parentheses; (iv) *** denotes statistical significance at the 1 percent level, ** at the 5 percent level, and * at the 10 percent level, all for two-sided hypothesis tests.

TABLE 2: Great Expectations: The Effect of (Origin) Institutions on Immigrant's Trust in Host Institutions-European Sample

	(1)	(2)	(3)	(4)
	Trust in			
	Parliament	Legal System	Politicians	Political Parties
Corruption (Origin)	0.101***	0.051	0.074***	0.056**
	(0.022)	(0.034)	(0.026)	(0.027)
Age	-0.052***	-0.048***	-0.042***	-0.042***
	(0.007)	(0.008)	(0.007)	(0.007)
Age Square	0.001***	0.000***	0.000***	0.000***
	(0.000)	(0.000)	(0.000)	(0.000)
Women	-0.057	-0.053	0.061	0.032
	(0.069)	(0.051)	(0.041)	(0.035)
Education (Lower Secondary)	0.042	0.033	-0.022	-0.043
	(0.090)	(0.087)	(0.081)	(0.088)
Education (Upper Secondary)	0.111	0.017	-0.088	-0.149**
	(0.072)	(0.083)	(0.066)	(0.073)
Lower Tertiary	0.066	-0.133	-0.083	-0.140
	(0.165)	(0.180)	(0.123)	(0.152)
Higher Tertiary	0.585***	0.476***	0.191*	0.061
	(0.100)	(0.109)	(0.101)	(0.096)
Unemployment	-0.404***	-0.500***	-0.281**	-0.297***
	(0.112)	(0.084)	(0.107)	(0.101)
ESS Round FE	Yes	Yes	Yes	Yes
Host Country FE	Yes	Yes	Yes	Yes
Other Controls	Yes	Yes	Yes	Yes
No. of Origin Countries	32	32	32	32
No. of Host Countries	34	34	34	34
Obs.	14545	14545	14545	14545
R-sq.	0.169	0.192	0.152	0.139

Summary: This table establishes the presence of the *Great Expectations* effect, for the sample of European immigrants. Analytically, the trust of migrants in: i) the parliament, ii) the legal system, iii) the politicians, and in iv) the political parties increases with the level of corruption at the origin country. The analysis controls for individual characteristics such as age, age square, gender, educational level, family and employment status as well as for ESS round and host country fixed effects.

Notes: (i) Corruption is measured by the ICRG Index. The index takes values from 0-6 with 6 indicating the most corrupt country; (ii) The variables "Trust in Parliament", "Trust in the Legal System", "Trust in Politicians" and "Trust in the Political Parties" refers to host institutions and take values from 0-10 with 0 denoting "no trust at all", and 10 denoting "complete trust"; (iii) Robust standard error estimates, clustered at the dimension of the country of origin, are reported in parentheses; (iv) *** denotes statistical significance at the 1 percent level, ** at the 5 percent level, and * at the 10 percent level, all for two-sided hypothesis tests.

TABLE 3: Great Expectations: The Persistent Effect of (Origin) Institutions or (Origin) Attitudes? Horcerace Regressions

	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
	Trust in							
	Parliament		Legal System		Politicians		Parties	
Mean Trust (Origin)	-0.017	0.012	0.039	0.074	-0.066	0.017	-0.037	0.035
	(0.063)	(0.041)	(0.043)	(0.039)	(0.048)	(0.059)	(0.041)	(0.048)
Corruption (Origin)		0.110***		0.088*		0.086**		0.080**
		(0.028)		(0.043)		0.086**		(0.032)
ESS Round FE	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Host Country FE	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Other Controls	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
No. of Origin Countries	32	32	32	32	32	32	32	32
No. of Host Countries	34	34	34	34	34	34	34	34
Obs.	14133	14133	14133	14133	14133	14133	14133	14133
R-sq.	0.170	0.172	0.195	0.196	0.153	0.153	0.140	0.141

Summary: This table establishes that the effect of institutions at the origin country is stronger than the effect of mean attitudes at the origin country. The analysis conducts horserace regressions while controlling for individual characteristics such as age, age square, gender, educational level, family and employment status as well as for ESS round and host country fixed effects.

Notes: (i) Corruption is measured by the ICRG Index. The index takes values from 0-6 with 6 indicating the most corrupt country; (ii) The variables "Trust in Parliament", "Trust in the Legal System", "Trust in Politicians" and "Trust in the Political Parties" take values from 0-10 with 0 denoting "no trust at all", and 10 denoting "complete trust"; (iii) The attitude at the origin country is estimated as the average attitude of the natives in the origin country for each type of trust; (iv) Robust standard error estimates, clustered at the dimension of the country of origin, are reported in parentheses; (v) *** denotes statistical significance at the 1 percent level, ** at the 5 percent level, and * at the 10 percent level, all for two-sided hypothesis tests.

TABLE 4: The Policy Implications of the Great Expectations Effect-World Sample

	(1)	(2)	(3)	(4)	(5)
	Strong Government	Follow Rules	Displayed Campaign Badge	Signed Petition	Interested in Politics
Corruption (Origin)	-0.079***	-0.111***	0.004**	0.023***	-0.011***
	(0.012)	(0.011)	(0.002)	(0.004)	(0.003)
Age	-0.006**	-0.004	0.001**	-0.004***	0.006***
	(0.003)	(0.004)	(0.000)	(0.001)	(0.001)
Age Square	0.000	-0.000	-0.000	0.000***	-0.000**
	(0.000)	(0.000)	(0.000)	(0.000)	(0.000)
Women	-0.091***	0.051***	-0.006*	-0.009*	-0.130***
	(0.016)	(0.018)	(0.003)	(0.005)	(0.006)
Education (Lower Secondary)	-0.031	0.138***	-0.012**	-0.036***	0.079***
	(0.036)	(0.045)	(0.005)	(0.012)	(0.013)
Education (Upper Secondary)	-0.005	0.179***	-0.020***	-0.086***	0.175***
	(0.037)	(0.043)	(0.005)	(0.015)	(0.012)
Lower Tertiary	0.049	0.182***	-0.014**	-0.088***	0.218***
	(0.044)	(0.062)	(0.006)	(0.018)	(0.020)
Higher Tertiary	0.146***	0.310***	-0.050***	-0.166***	0.324***
	(0.052)	(0.052)	(0.006)	(0.022)	(0.013)
Unemployment	-0.008	0.021	0.010	0.021**	-0.021*
	(0.029)	(0.034)	(0.007)	(0.008)	(0.013)
ESS Round FE	Yes	Yes	Yes	Yes	Yes
Host Country FE	Yes	Yes	Yes	Yes	Yes
Other Controls	Yes	Yes	Yes	Yes	Yes
No. of Origin Countries	135	135	135	135	135
No. of Host Countries	34	34	34	34	34
Obs.	24863	24863	24863	24863	24863
R-sq.	0.089	0.086	0.048	0.101	0.118

Summary: This table establishes that higher corruption at the origin country is associated with lower demand for regulation and lower political participation in the host country. The analysis controls for individual characteristics such as age, age square, gender, educational level, family and employment status as well as for ESS round and host country fixed effects.

Notes: (i) Corruption is measured by the ICRG Index. The index takes values from 0-6 with 6 indicating the most corrupt country; (ii) "Strong Government" indicates to what extend individuals agree with the statement "government is strong and ensures safety". The variable takes values from 1 to 6 with 1 denoting "Very much like me" and 6 denoting "Not like me at all"; (iii) "Follow Rules" indicates to what extend individuals agree with the statement " Important to do what is told and follow rules". The variable takes values from 1 to 6 with 1 denoting "Very much like me" and 6 denoting "Not like me at all"; (iv) "Displayed Campaign Badge" corresponds to the question "Worn or displayed campaign badge/stick in the last 12 months ". The variable is binary with 1 denoting "Yes" and 2 denoting "No"; (v) "Signed Petition" corresponds to the question "During the last 12 months, have you done any of the following? Firstly...Signed a petition". The variable is binary with 1 denoting "Yes" and 2 denoting "No"; (vi) "Interested in Politics" corresponds to the question "How interested would you say you are in politics" with 1 denoting "Very Interested" and 4 denoting "Hardly Interested"; (vii) Robust standard error estimates, clustered at the dimension of the country of origin, are reported in parentheses; (viii) *** denotes statistical significance at the 1 percent level, ** at the 5 percent level, and * at the 10 percent level, all for two-sided hypothesis tests.

TABLE 5: The Policy Implications of the Great Expectations Effect-European Sample

	(1)	(2)	(3)	(4)	(5)
	Strong Government	Follow Rules	Displayed Campaign Badge	Signed Petition	Interested in Politics
Corruption (Origin)	-0.083***	-0.131***	0.009***	0.036***	-0.029***
	(0.014)	(0.021)	(0.003)	(0.007)	(0.007)
Age	-0.005*	-0.001	0.001	-0.004***	0.007***
	(0.003)	(0.006)	(0.001)	(0.001)	(0.001)
Age Square	0.000	-0.000	-0.000	0.000***	-0.000**
	(0.000)	(0.000)	(0.000)	(0.000)	(0.000)
Women	-0.116***	0.042**	-0.009**	-0.018**	-0.127***
	(0.019)	(0.020)	(0.004)	(0.007)	(0.007)
Education (Lower Secondary)	-0.015	0.123**	-0.013*	-0.033*	0.080***
	(0.052)	(0.060)	(0.007)	(0.019)	(0.014)
Education (Upper Secondary)	0.017	0.143**	-0.018***	-0.081***	0.170***
	(0.055)	(0.055)	(0.006)	(0.025)	(0.015)
Lower Tertiary	0.118*	0.170*	-0.012	-0.088***	0.211***
	(0.063)	(0.087)	(0.007)	(0.030)	(0.025)
Higher Tertiary	0.206**	0.296***	-0.045***	-0.154***	0.327***
	(0.082)	(0.070)	(0.007)	(0.034)	(0.018)
Unemployment	0.015	0.036	0.006	0.007	-0.025
	(0.037)	(0.037)	(0.010)	(0.010)	(0.015)
ESS Round FE	Yes	Yes	Yes	Yes	Yes
Host Country FE	Yes	Yes	Yes	Yes	Yes
Other Controls	Yes	Yes	Yes	Yes	Yes
No. of Origin Countries	32	32	32	32	32
No. of Host Countries	34	34	34	34	34
Obs.	15862	15862	15862	15862	15862
R-sq.	0.103	0.086	0.051	0.114	0.125

Summary: This table establishes that higher corruption in the origin country is associated with lower demand for regulation and lower political participation in the host country (sample of European immigrants). The analysis controls for individual characteristics such as age, age square, gender, educational level and employment status as well as for ESS round and host country fixed effects.

Notes: (i) Corruption is measured by the ICRG Index. The index takes values from 0-6 with 6 indicating the most corrupt country; (ii) "Strong Government" indicates to what extend individuals agree with the statement "government is strong and ensures safety". The variable takes values from 1 to 6 with 1 denoting "Very much like me" and 6 denoting "Not like me at all"; (iii) "Follow Rules" indicates to what extend individuals agree with the statement " Important to do what is told and follow rules". The variable takes values from 1 to 6 with 1 denoting "Very much like me" and 6 denoting "Not like me at all"; (iv) "Displayed Campaign Badge" corresponds to the question "Worn or displayed campaign badge/stick in the last 12 months ". The variable is binary with 1 denoting "Yes" and 2 denoting "No"; (v) "Signed Petition" corresponds to the question "During the last 12 months, have you done any of the following? Firstly...Signed a petition". The variable is binary with 1 denoting "Yes" and 2 denoting "No"; (vi) "Interested in Politics" corresponds to the question "How interested would you say you are in politics" with 1 denoting "Very Interested" and 4 denoting "Hardly Interested"; (vii) Robust standard error estimates, clustered at the dimension of the country of origin, are reported in parentheses; (viii) *** denotes statistical significance at the 1 percent level, ** at the 5 percent level, and * at the 10 percent level, all for two-sided hypothesis tests.

TABLE 6: Discussion: The Great Expectations Effect is not Present in the Case of Interpersonal Trust (World Sample)

	(1)	(2)	(3)
		Interpersonal Trust	
	All Migrants	First Generation	Second Generation
Corruption (Origin)	-0.089***	-0.114***	-0.045*
	(0.022)	(0.027)	(0.024)
Age	-0.017***	-0.005	-0.030***
	(0.005)	(0.007)	(0.010)
Age Square	0.000***	0.000	0.000***
	(0.000)	(0.000)	(0.000)
Women	-0.072	-0.110**	-0.034
	(0.048)	(0.052)	(0.047)
Education (Lower Secondary)	0.163**	0.192**	0.069
	(0.069)	(0.086)	(0.138)
Education (Upper Secondary)	0.297***	0.279***	0.286**
	(0.070)	(0.074)	(0.123)
Lower Tertiary	0.539***	0.596***	0.432***
	(0.091)	(0.109)	(0.147)
Higher Tertiary	0.945***	0.880***	1.008***
	(0.093)	(0.117)	(0.113)
Employment	-0.309***	-0.313***	-0.316***
	(0.068)	(0.085)	(0.111)
ESS Round FE	Yes	Yes	Yes
Host Country FE	Yes	Yes	Yes
Other Controls	Yes	Yes	Yes
No. of Origin Countries	134	131	111
No. of Host Countries	34	34	34
Obs.	22939	13007	9968
R-sq.	0.095	0.163	0.123

Summary:.This table establishes that higher corruption at the origin country is associated with lower levels of interpersonal trust at the host country. Therefore the *Great Expectations* effect does not hold for the case of interpersonal trust. The analysis controls for individual characteristics such as age, age square, gender, educational level, family and employment status as well as for ESS round and host country fixed effects.

Notes: (i) Corruption is measured by the ICRG Index. The index takes values from 0-6 with 6 indicating the most corrupt country; (ii) "Interpersonal Trust" corresponds to the question "Most people can be trusted or you can't be too careful". The variable takes values from 0 to 10 with 0 denoting "Can't be too careful" and 10 denoting "Most people can be trusted"; (iii) Robust standard error estimates, clustered at the dimension of the country of origin, are reported in parentheses; (iv) *** denotes statistical significance at the 1 percent level, ** at the 5 percent level, and * at the 10 percent level, all for two-sided hypothesis tests.

TABLE 7: Discussion: Interpersonal Trust - The Persistent Effect of (Origin) Institutions or of Mean (Origin) Attitudes?

	(1)	(2)	(3)
	Interpersonal Trust		
Mean Preference (Origin)	0.194***		0.160***
	(0.032)		(0.037)
Corruption (Origin)		-0.129***	-0.043
		(0.040)	(0.035)
ESS Round FE	Yes	Yes	Yes
Host Country FE	Yes	Yes	Yes
Other Controls	Yes	Yes	Yes
No. of Origin Countries	32	32	32
No. of Host Countries	34	34	34
Obs.	14095	14511	14095
R-sq.	0.116	0.115	0.116

Summary: This table establishes that the effect of mean trust at the origin country is stronger than the effect of origin institutions. The analysis conducts horserace regressions between home institutions and attitudes while controlling for individual characteristics such as age, age square, gender, educational level, family and employment status as well as for ESS round and host country fixed effects.

Notes: (i) Corruption is measured by the ICRG Index. The index takes values from 0-6 with 6 indicating the most corrupt country; (ii) "Interpersonal Trust" corresponds to the question "Most people can be trusted or you can't be too careful". The variable takes values from 0 to 10 with 0 denoting "Can't be too careful" and 10 denoting "Most people can be trusted"; (iii) The mean preferences of the origin country are estimated by taking the weighted averaging of the native preferences; (iv) Robust standard error estimates, clustered at the dimension of the country of origin, are reported in parentheses; (v) *** denotes statistical significance at the 1 percent level, ** at the 5 percent level, and * at the 10 percent level, all for two-sided hypothesis tests.

TABLE 8: Discussion: Does the Stage of Development Affect the Presence of the Great Expectations Effect?

	(1)	(2)	(3)	(4)
	Trust in			
	Parliament	Legal System	Politicians	Parties
Corruption (Origin)	-0.045	-0.064	-0.007	-0.006
	(0.042)	(0.045)	(0.037)	(0.039)
Corruption X GDP (1026<GDP<4036)	0.111***	0.043	0.102***	0.094***
	(0.033)	(0.036)	(0.028)	(0.031)
Corruption X GDP (4036<GDP<12476)	0.165***	0.121***	0.139***	0.134***
	(0.035)	(0.034)	(0.028)	(0.029)
Corruption X GDP (GDP>12476)	0.160***	0.132***	0.116***	0.114***
	(0.036)	(0.035)	(0.029)	(0.030)
ESS Round FE	Yes	Yes	Yes	Yes
Host Country FE	Yes	Yes	Yes	Yes
No. of Origin Countries	124	124	124	124
No. of Host Countries	34	34	34	34
Obs.	21156	21156	21156	21156
R-sq.	0.153	0.158	0.145	0.141

Summary: This table establishes that the stage of development does not affected the presence of the *Great Expectations* effect.

Notes: (i) Corruption is measured by the ICRG Index. The index takes values from 0-6 with 6 indicating the most corrupt country; (ii) The variables "Trust in Parliament", "Trust in the Legal System", "Trust in Politicians" and "Trust in the Political Parties" take values from 0-10 with 0 denoting "no trust at all", and 10 denoting "complete trust"; (iii) GDP is per capita GDP in constant 2000 US$ and is the average of the years 1950-1970; The classifications of GDP follow the classification suggested by the World Bank; iv) Robust standard error estimates, clustered at the dimension of the country of origin, are reported in parentheses; (v) *** denotes statistical significance at the 1 percent level, ** at the 5 percent level, and * at the 10 percent level, all for two-sided hypothesis tests.

TABLE 9: Robustness: Controlling for Host and Origin Country FE in a Sample of Pairs of Immigrant Groups

	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
	Differences in Trust in							
	Parliament		Legal System		Politicians		Parties	
Diffs. in Corruption	0.095***	0.058***	0.045***	-0.008	0.067***	0.028***	0.077***	0.033***
	(0.005)	(0.007)	(0.006)	(0.007)	(0.005)	(0.006)	(0.004)	(0.007)
Diffs in Log Income p.c		-0.052***		-0.069***		-0.063***		-0.071***
		(0.009)		(0.009)		(0.008)		(0.009)
ESS Round FE	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Host Country FE	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Origin Country FE	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Controls	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
No. of Origin Countries	32	32	32	32	32	32	32	32
No. of Host Countries	34	34	34	34	34	34	34	34
Obs.	100031	92553	101262	93703	100979	93431	100491	92969
R-sq.	0.114	0.122	0.112	0.120	0.106	0.112	0.106	0.112

Summary: This table establishes the presence of the *Great Expectations* effect while controlling for both host and origin country fixed effects. To conduct this analysis the table employs a sample of pairs of immigrant groups residing in each host country. The results confirm that differences in the levels of trust of different immigrant groups are driven by differences in origin institutional quality. The analysis controls for all baseline controls and for income per capita at the origin country

Notes: (i) Corruption is measured by the ICRG Index. The index takes values from 0-6 with 6 indicating the most corrupt country; (ii) The variables "Trust in Parliament", "Trust in the Legal System", "Trust in Politicians" and "Trust in the Political Parties" take values from 0-10 with 0 denoting "no trust at all", and 10 denoting "complete trust"; (iii) GDP is per capita GDP in constant 2000 US$ and is the average of the years 1950-1970; (iv) Robust standard error estimates, clustered at the dimension of the country of origin, are reported in parentheses; (v) *** denotes statistical significance at the 1 percent level, ** at the 5 percent level, and * at the 10 percent level, all for two-sided hypothesis tests.

Appendices

A   Variable Definitions and Sources

This section provides an analytical overview of all the variables employed in the analysis.

A.1 ESS Variables

Outcome Variables

Trust in Parliament. "Trust in Parliament" corresponds to the question "Using this card, please tell me on a score of 0-10 how much you personally trust each of the institutions I read out. 0 means you do not trust an institution at all, and 10 means you have complete trust. Firstly [country]'s parliament?"

Mean Trust in Parliament. The mean preferences of the origin country are estimated by taking the weighted averaging of the native preferences for all ESS rounds.

Trust in the Legal System. "Trust in the Legal System" corresponds to the question "Using this card, please tell me on a score of 0-10 how much you personally trust each of the institutions I read out. 0 means you do not trust an institution at all, and 10 means you have complete trust. Firstly [country]'s legal system?"

Mean Trust in Legal System. The mean preferences of the origin country are estimated by taking the weighted averaging of the native preferences for all ESS rounds.

Trust in Politicians. "Trust in Politicians" corresponds to the question "Using this card, please tell me on a score of 0-10 how much you personally trust each of the institutions I read out. 0 means you do not trust an institution at all, and 10 means you have complete trust. Firstly [country]'s politicians?"

Mean Trust in Politicians. The mean preferences of the origin country are estimated by taking the weighted averaging of the native preferences for all ESS rounds.

Trust in Parties. "Trust in Political Parties" corresponds to the question "Using this card, please tell me on a score of 0-10 how much you personally trust each of the institutions I read out. 0 means you do not trust an institution at all, and 10 means you have complete trust. Firstly [country]'s political parties?"

Mean Trust in Parties. The mean preferences of the origin country are estimated by taking the weighted averaging of the native preferences for all ESS rounds.

Intepresonal Trust. "Interpersonal Trust" corresponds to the question "Most people can be trusted or you can't be too careful". The variable takes values from 0 to 10 with 0 denoting "Can't be too careful" and 10 denoting "Most people can be trusted".

Mean Interpersonal Trust. The mean preferences of the origin country are estimated by taking the weighted averaging of the native preferences for all ESS rounds.

Satisfaction Economy. "Satisfaction with the Economy" corresponds to the question "How satisfied with present state of economy in country". The variable takes values from 0 to 10 with 0 denoting "extremely dissatisfied" and 10 denoting "extremely satisfied".

Strong Government.. "Strong Government" indicates to what extend individuals agree with the statement "government is strong and ensures safety". The variable takes values from 1 to 6 with 1 denoting "Very much like me" and 6 denoting "Not like me at all".

Follow Rules.. "Follow Rules" indicates to what extend individuals agree with the statement "Important to do what is told and follow rules". The variable takes values from 1 to 6 with 1 denoting "Very much like me" and 6 denoting "Not like me at all".

Displayed Campaign Badge.. "Displayed Campaign Badge" corresponds to the question "Worn or displayed campaign badge/stick in the last 12 months". The variable is binary with 1 denoting "Yes" and 2 denoting "No".

Petition. "Signed Petition" corresponds to the question "During the last 12 months, have you done any of the following? Firstly...Signed a petition". The variable is binary with 1 denoting "Yes" and 2 denoting "No".

Inerested in Politics. "Interested in Politics" corresponds to the question "How interested would you say you are in politics" with 1 denoting "Very Interested" and 4 denoting "Hardly Interested".

Individual Controls

Age. The age of the respondent.

Gender. The gender of the respondent.

Family Status. Family status is a binary variable taking the value 0 if the individual lives with a partner and 1 otherwise.

Employment Status. Employment status is a binary variable taking the value 0 if the individual is employed and 1 otherwise.

Level of Education. The higher level of education attained by the respondent. The questionnaire distinguishes seven different levels of education (less than lower secondary, lower secondary, lower tier upper secondary, upper tier upper secondary, advanced vocational, lower tertiary BA level, higher tertiary > MA level).

Parental and Spouse Educational Level. The higher level of education attained by the respondents' father, mother and spouse. The questionnaire distinguishes seven different levels of education (less than lower secondary, lower secondary, lower tier upper secondary, upper tier upper secondary, advanced vocational, lower tertiary BA level, higher tertiary > MA level).

Individual Income. Individual income measures the reported income of the immigrant. The variable has 12 gradations.

A.2 Aggregate Variables

Corruption. "Corruption" is using the ICRG index that ranges from 0 (least corrupt country) to 6 (most corrupt country). The average value of the years 1986-1990 is employed. The measure has been modified compared to the original one to facilitate interpretation.

Corruption. "CPI Corruption" is using the Corruption Perception Index. The index takes values from 0-10 with 10 indicating the most corrupt country. The measure has been modified compared to the original one to facilitate interpretation.

Control of Corruption. "Control of Corruption" is measured by the World Governance Indicators measure. The index ranges from -2.5 (weak) to 2.5 (strong) governance performance. The measure has been modified compared to the original one to facilitate interpretation.

GDP per Capita. Log GDP per capita comes from the WDI and denotes the average level of income per capita of the origin country for the period 1950-1990.

Immigrant Networks. The "Immigrant Networks" variable measure the number of immigrants of the same origin residing in each host country as derived by rounds 2-6 of the ESS;

B   Robustness

This section provides an analytical overview of the robustness checks.

TABLE B.1: Robustness: First and Second Generation Immigrants

Dep. Var: Corruption (O)	(1) Parliament	(2) Legal System	(3) Politicians	(4) Parties	Obs	Host C.	Origin C.	Controls
		Trust in						
I. First Gen. Migs	0.154***	0.088***	0.152***	0.158***	13007	34	131	Yes
	(0.021)	(0.024)	(0.022)	(0.021)				
II. Second Gen. Migs	0.087***	0.068***	0.060**	0.060***	9990	34	111	Yes
	(0.026)	(0.025)	(0.024)	(0.022)				

Summary: This table establishes the robustness of the results to the use of the samples of first and second generation immigrants respectively. The analysis controls for the full set of baseline controls.

Notes: (i) Corruption is measured by the ICRG Index. The index takes values from 0-6 with 6 indicating the most corrupt country; (ii) The variables "Trust in Parliament", "Trust in the Legal System", "Trust in Politicians" and "Trust in the Political Parties" take values from 0-10 with 0 denoting "no trust at all", and 10 denoting "complete trust"; (iii) Robust standard error estimates, clustered at the dimension of the country of origin, are reported in parentheses; (iv) *** denotes statistical significance at the 1 percent level, ** at the 5 percent level, and * at the 10 percent level, all for two-sided hypothesis tests.

TABLE B.2: Robustness: Alternative Measures of Corruption

	(1)	(2)	(3)	(4)				
	Trust in							
	Parliament	Legal System	Politicians	Parties	Obs	Host C.	Origin C.	Controls.
I. CPI	0.082***	0.046***	0.068***	0.066***	24536	34	171	Yes
	(0.011)	(0.014)	(0.011)	(0.010)				
II. CC	0.158***	0.095***	0.139***	0.133***	24517	34	135	Yes
	(0.021)	(0.027)	(0.020)	(0.020)				

Summary: This   table   establishes   the   robustness   of   the   baseline   results   to   the   use   of   alternative   measures   of   institutional   quality.

Notes: (i) CPI is measured by the Corruption Perception Index. The index takes values from 0-10 with 10 indicating the most corrupt country. The index is the average of the years 1995-2000; (ii) The measure CC denotes "Control of Corruption" and takes values between -2.5 and 2.5 with 2.5 denoting the most corrupt country; (iii) "The variables "Trust in Parliament", "Trust in the Legal System", "Trust in Politicians" and "Trust in the Political Parties" take values from 0-10 with 0 denoting "no trust at all", and 10 denoting "complete trust"; (iv) robust standard error estimates, clustered at the dimension of the country of origin, are reported in parentheses; (v) *** denotes statistical significance at the 1 percent level, ** at the 5 percent level, and * at the 10 percent level, all for two-sided hypothesis tests.

TABLE B.3: Robustness: Controlling for Income per Capita of the Origin Country

	(1)	(2)	(3)	(4)
	Trust in			
	Parliament	Legal System	Politicians	Parties
Corruption (Origin)	0.066***	0.021	0.070***	0.060***
	(0.024)	(0.029)	(0.022)	(0.022)
Log GDP per Capita (Origin)	-0.149***	-0.147***	-0.120***	-0.136***
	(0.036)	(0.042)	(0.025)	(0.026)
ESS Round FE	Yes	Yes	Yes	Yes
Host Country FE	Yes	Yes	Yes	Yes
No. of Origin Countries	124	124	124	124
No. of Host Countries	34	34	34	34
Obs.	21156	21156	21156	21156
R-sq.	0.152	0.158	0.145	0.141

Summary: This table establishes the presence of the *Great Expectations* effect, for the sample of all immigrants, while controlling for income per capita at the origin country.

Notes: (i) Corruption is measured by the ICRG Index. The index takes values from 0-6 with 6 indicating the most corrupt country; (ii) The variables "Trust in Parliament", "Trust in the Legal System", "Trust in Politicians" and "Trust in the Political Parties" take values from 0-10 with 0 denoting "no trust at all", and 10 denoting "complete trust"; (iii) GDP is per capita GDP in constant 2000 US$ and is the average of the years 1950-1970; iv) Robust standard error estimates, clustered at the dimension of the country of origin, are reported in parentheses; (v) *** denotes statistical significance at the 1 percent level, ** at the 5 percent level, and * at the 10 percent level, all for two-sided hypothesis tests.

TABLE B.4: Robustness: Alternative Specifications

	(1)	(2)	(3)	(4)				
	Trust in							
	Parliament	Legal System	Politicians	Parties	Obs	Host C.	Origin C.	Controls
I. Assimilation	0.154***	0.049	0.112***	0.099***	7643	34	32	Yes
	(0.032)	(0.043)	(0.034)	(0.036)				
II. Parental and	0.120***	0.075***	0.108***	0.116***	18538	34	134	Yes
Spouse Controls	(0.018)	(0.021)	(0.018)	(0.019)				
III. Placebo	-0.021	-0.021	-0.004	-0.004	21532	34	134	Yes
Regressions	(0.014)	(0.014)	(0.012)	(0.012)				
IV. Weighted	0.139***	0.090***	0.129***	0.131***	22997	34	134	Yes
Regressions	(0.020)	(0.021)	(0.020)	(0.019)				
V. Mother's	0.142***	0.095***	0.135***	0.134***	18053	34	133	Yes
Origin	(0.020)	(0.022)	(0.020)	(0.021)				

Summary: This table establishes the robustness of the baseline analysis to a number of alternative specifications.

Notes: (i) Corruption is measured by the ICRG Index. The index takes values from 0-6 with 6 indicating the most corrupt country; (ii) The variables "Trust in Parliament", "Trust in the Legal System", "Trust in Politicians" and "Trust in the Political Parties" take values from 0-10 with 0 denoting "no trust at all", and 10 denoting "complete trust; (iii) Robust standard error estimates, clustered at the dimension of the country of origin, are reported in parentheses; (iv) *** denotes statistical significance at the 1 percent level, ** at the 5 percent level, and * at the 10 percent level, all for two-sided hypothesis tests.

TABLE B.5: Robustness: Controlling for Networks of Immigrants of the Same Origin

	(1)	(2)	(3)	(4)
	Trust in			
	Parliament	Legal System	Politicians	Parties
Corruption (Origin Country)	0.128***	0.076***	0.123***	0.126***
	(0.020)	(0.022)	(0.019)	(0.018)
Imigrant Networks	-0.001	-0.001**	-0.001**	-0.001***
	(0.000)	(0.000)	(0.000)	(0.000)
ESS Round FE	Yes	Yes	Yes	Yes
Host Country FE	Yes	Yes	Yes	Yes
No. of Origin Countries	133	133	133	133
No. of Host Countries	33	33	33	33
Obs.	17722	17722	17722	17722
R-sq.	0.152	0.153	0.139	0.133

Summary: This table establishes the robustness of the results while controlling for GDP at the origin country.

Notes: (i) Corruption is measured by the ICRG Index. The index takes values from 0-6 with 6 indicating the most corrupt country; (ii) The variables "Trust in Parliament", "Trust in the Legal System", "Trust in Politicians" and "Trust in the Political Parties" take values from 0-10 with 0 denoting "no trust at all", and 10 denoting "complete trust"; (iii) The "immigrant networks" variable measure the number of immigrants of the same origin residing in each host country as derived by rounds 2-6 of the ESS; (iv) GDP is per capita GDP in constant 2000 US$ and is the average of the years 1950-1970; iv) Robust standard error estimates, clustered at the dimension of the country of origin, are reported in parentheses; (v) *** denotes statistical significance at the 1 percent level, ** at the 5 percent level, and * at the 10 percent level, all for two-sided hypothesis tests.

TABLE B.6: Robustness: Controlling for Individual Income

	(1)	(2)	(3)	(4)
		Trust in		
	Parliament	Legal System	Politicians	Political Parties
Corruption (Origin)	0.153***	0.098***	0.139***	0.140***
	(0.021)	(0.022)	(0.020)	(0.018)
Income Scale 1	0.203**	0.373***	0.176**	0.182**
	(0.089)	(0.111)	(0.082)	(0.087)
Income Scale 2	0.256***	0.378***	0.151	0.178**
	(0.098)	(0.131)	(0.099)	(0.090)
Income Scale 3	0.290***	0.398***	0.271***	0.280***
	(0.092)	(0.106)	(0.098)	(0.100)
Income Scale 4	0.312***	0.506***	0.224**	0.218**
	(0.098)	(0.122)	(0.094)	(0.096)
Income Scale 5	0.357***	0.429***	0.179*	0.190**
	(0.109)	(0.124)	(0.097)	(0.094)
Income Scale 6	0.315***	0.575***	0.213**	0.170*
	(0.117)	(0.139)	(0.103)	(0.094)
Income Scale 7	0.396***	0.590***	0.201**	0.212**
	(0.101)	(0.127)	(0.099)	(0.100)
Income Scale 9	0.473***	0.641***	0.260**	0.264***
	(0.115)	(0.135)	(0.100)	(0.095)
Income Scale 10	0.649***	0.925***	0.316***	0.334***
	(0.132)	(0.157)	(0.101)	(0.093)
Income Scale 11	0.440***	0.685***	0.421**	0.456**
	(0.165)	(0.226)	(0.199)	(0.178)
Income Scale 12	0.740***	0.844***	0.655**	0.546**
	(0.266)	(0.251)	(0.263)	(0.269)
ESS Round FE	Yes	Yes	Yes	Yes
Host Country FE	Yes	Yes	Yes	Yes
Controls	Yes	Yes	Yes	Yes
No. of Origin Countries	133	133	133	133
No. of Host Countries	34	34	34	34
Obs.	17005	17005	17005	17005
R-sq.	0.163	0.157	0.139	0.136

Summary: This table establishes the robustness of the results to controlling for individual income.

Notes: (i) Corruption is measured by the ICRG Index. The index takes values from 0-6 with 6 indicating the most corrupt country; (ii) The variables "Trust in Parliament", "Trust in the Legal System", "Trust in Politicians" and "Trust in the Political Parties" take values from 0-10 with 0 denoting "no trust at all", and 10 denoting "complete trust"; (iii) Robust standard error estimates, clustered at the dimension of the country of origin, are reported in parentheses; (iv) *** denotes statistical significance at the 1 percent level, ** at the 5 percent level, and * at the 10 percent level, all for two-sided hypothesis tests.

TABLE B.7: How Strong is the Great Expectations Effect Compared to Other Determinants: Beta Coefficients for the World Sample

	(1)	(2)	(3)	(4)
		Trust in		
	Parliament	Legal System	Politicians	Political Parties
Corruption (Origin Country)	0.074***	0.048***	0.070***	0.071***
	(0.017)	(0.020)	(0.018)	(0.017)
Age	-0.326***	-0.291***	-0.266***	-0.309***
	(0.006)	(0.006)	(0.006)	(0.005)
Age Square	0.336***	0.281***	0.287***	0.301***
	(0.000)	(0.000)	(0.000)	(0.000)
Women	-0.019*	-0.018**	0.007	0.003
	(0.050)	(0.043)	(0.035)	(0.029)
Education (Lower Secondary)	0.010	0.015*	0.004	0.005
	(0.069)	(0.059)	(0.069)	(0.064)
Education (Upper Secondary)	0.018	-0.000	-0.021*	-0.017
	(0.058)	(0.058)	(0.061)	(0.058)
Lower Tertiary	0.010	-0.001	-0.005	-0.003
	(0.141)	(0.164)	(0.111)	(0.130)
Higher Tertiary	0.109***	0.100***	0.034**	0.026*
	(0.079)	(0.088)	(0.078)	(0.076)
Unemployment	-0.037***	-0.034***	-0.029***	-0.029***
	(0.083)	(0.072)	(0.085)	(0.081)
ESS Round FE	Yes	Yes	Yes	Yes
Host Country FE	Yes	Yes	Yes	Yes
No. of Origin Countries	134	134	134	134
No. of Host Countries	34	34	34	34
Obs.	22997	22997	22997	22997
R-sq.	0.153	0.159	0.141	0.136

Summary: This table reports the beta coefficient in order to compare how strong is the *Great Expectations* effect compared to others.

Notes: (i) Corruption is measured by the ICRG Index. The index takes values from 0-6 with 6 indicating the most corrupt country; (ii) The variables "Trust in Parliament", "Trust in the Legal System", "Trust in Politicians" and "Trust in the Political Parties" take values from 0-10 with 0 denoting "no trust at all", and 10 denoting "complete trust"; (iii) Robust standard error estimates, clustered at the dimension of the country of origin, are reported in parentheses; (iv) *** denotes statistical significance at the 1 percent level, ** at the 5 percent level, and * at the 10 percent level, all for two-sided hypothesis tests.

TABLE B.8: How Strong is the Great Expectations Effect Compared to Other Determinants: Beta Coefficients for the European Sample

	(1)	(2)	(3)	(4)
		Trust in		
	Parliament	Legal System	Politicians	Political Parties
Corruption (Origin Country)	0.047***	0.023	0.035***	0.026**
	(0.022)	(0.034)	(0.026)	(0.027)
Age	-0.396***	-0.363***	-0.322***	-0.321***
	(0.007)	(0.008)	(0.007)	(0.007)
Age Square	0.413***	0.344***	0.355***	0.326***
	(0.000)	(0.000)	(0.000)	(0.000)
Women	-0.012	-0.011	0.013	0.007
	(0.069)	(0.051)	(0.041)	(0.035)
Education (Lower Secondary)	0.006	0.005	-0.003	-0.007
	(0.090)	(0.087)	(0.081)	(0.088)
Education (Upper Secondary)	0.023	0.004	-0.018	-0.031**
	(0.072)	(0.083)	(0.066)	(0.073)
Lower Tertiary	0.006	-0.012	-0.008	-0.013
	(0.165)	(0.180)	(0.123)	(0.152)
Higher Tertiary	0.116***	0.094***	0.038*	0.012
	(0.100)	(0.109)	(0.101)	(0.096)
Unemployment	-0.037***	-0.046***	-0.026**	-0.027***
	(0.112)	(0.084)	(0.107)	(0.101)
ESS Round FE	Yes	Yes	Yes	Yes
Host Country FE	Yes	Yes	Yes	Yes
No. of Origin Countries	32	32	32	32
No. of Host Countries	34	34	34	34
Obs.	14545	14545	14545	14545
R-sq.	0.169	0.192	0.152	0.139

<u>Summary:</u> This table reports the beta coefficient in order to compare how strong is the *Great Expectations* effect compared to others.

<u>Notes:</u> (i) Corruption is measured by the ICRG Index. The index takes values from 0-6 with 6 indicating the most corrupt country; (ii) The variables "Trust in Parliament", "Trust in the Legal System", "Trust in Politicians" and "Trust in the Political Parties" take values from 0-10 with 0 denoting "no trust at all", and 10 denoting "complete trust"; (iii) Robust standard error estimates, clustered at the dimension of the country of origin, are reported in parentheses; (iv) *** denotes statistical significance at the 1 percent level, ** at the 5 percent level, and * at the 10 percent level, all for two-sided hypothesis tests.

TABLE B.9: Robustness: The Policy Implications of the Great Expectations Effect-Controlling for the Rate of Assimilation

	(1)	(2)	(3)	(4)	(5)
	Strong Government	Follow Rules	Displayed Campaign Badge	Signed Petition	Interested in Politics
Corruption (Origin)	-0.102***	-0.139***	0.005**	0.028***	-0.017***
	(0.012)	(0.013)	(0.002)	(0.004)	(0.005)
ESS Round FE	Yes	Yes	Yes	Yes	Yes
Host Country FE	Yes	Yes	Yes	Yes	Yes
Other Controls	Yes	Yes	Yes	Yes	Yes
No. of Origin Countries	132	132	132	132	132
No. of Host Countries	34	34	34	34	34
Obs.	14173	14173	14173	14173	14173
R-sq.	0.080	0.081	0.057	0.114	0.127

Summary: This table establishes the robustness of the policy implications of the Great Expectations effect while controlling for a number of assimilation controls such as citizenship, voting, discriminated groups and duration of stay.

Notes: (i) Corruption is measured by the ICRG Index. The index takes values from 0-6 with 6 indicating the most corrupt country; (ii) "Strong Government" indicates to what extend individuals agree with the statement "government is strong and ensures safety". The variable takes values from 1 to 6 with 1 denoting "Very much like me" and 6 denoting "Not like me at all"; (iii) "Follow Rules" indicates to what extend individuals agree with the statement " Important to do what is told and follow rules". The variable takes values from 1 to 6 with 1 denoting "Very much like me" and 6 denoting "Not like me at all"; (iv) "Displayed Campaign Badge" corresponds to the question "Worn or displayed campaign badge/stick in the last 12 months ". The variable is binary with 1 denoting "Yes" and 2 denoting "No"; (v) "Signed Petition" corresponds to the question "During the last 12 months, have you done any of the following? Firstly...Signed a petition". The variable is binary with 1 denoting "Yes" and 2 denoting "No"; (vi) "Interested in Politics" corresponds to the question "How interested would you say you are in politics" with 1 denoting "Very Interested" and 4 denoting "Hardly Interested"; (vii) Robust standard error estimates, clustered at the dimension of the country of origin, are reported in parentheses; (viii) *** denotes statistical significance at the 1 percent level, ** at the 5 percent level, and * at the 10 percent level, all for two-sided hypothesis tests.

TABLE B.10: Origin Institutions and Native Trust: A Negative Correlation

	(1)	(2)	(3)	(4)
	Native Trust in			
	Parliament	Legal System	Politicians	Police
Corruption (Native)	1.084***	1.276***	0.866***	0.868***
	(0.041)	(0.044)	(0.032)	(0.033)
No of Countries	25	25	25	25
R-sq.	0.952	0.959	0.968	0.965

Summary: This table shows that corruption at the origin country is negatively correlated with native trust thereby suggesting that the *Great Expectations* effects holds only for institutions at the host country.

Notes: (i) Corruption is measured by the ICRG Index. The index takes values from 0-6 with 6 indicating the most corrupt country; (ii) The variables "Trust in Parliament", "Trust in the Legal System", "Trust in Politicians" and "Trust in the Political Parties" take values from 0-10 with 0 denoting "no trust at all", and 10 denoting "complete trust; (iii) All the trust measures are aggregated at the country level after excluding the sample of migrants. The measures are the average of the years 2000-2012; (iv) Robust standard error estimates, clustered at the dimension of the country of origin, are reported in parentheses; (v) *** denotes statistical significance at the 1 percent level, ** at the 5 percent level, and * at the 10 percent level, all for two-sided hypothesis tests.

C   Summary Statistics

This section summarizes the inflows and outflows of migrants for the full sample. Tables C.1-C.5 show the migration flows categorized by birth coutnry, whereas Table C.6 summarizes the migration flows by destination country.

Table C.1: Countries of Origin of the 2nd, 3rd and 4th Generation Migrants

Country	(1) Distinct Destination Countries	(2) Number of Immigrants from Birth Country	(3) Most Prevalent Destination Country	(4) Number of Migrants to Prevalent Destin. Country
Albania	14	271	Greece	239
Algeria	15	363	Russian Federation	21
Angola	9	126	Portugal	104
Argentina	14	125	Israel	53
Armenia	15	67	Switzerland	106
Australia	13	44	United Kingdom	21
Austria	23	290	Russian Federation	25
Azerbaijan	9	75	United Kingdom	27
Bahrain	1	1	Luxembourg	49
Bangladesh	6	35	France	4
Belarus	13	353	Israel	47
Belgium	19	179	United Kingdom	1
Bolivia, Plurinational State of	6	44	United Kingdom	2
Brazil	18	212	Spain	34
Brunei Darussalam	2	3	Portugal	123
Bulgaria	25	207	Estonia	143
Burkina Faso	2	5	United Kingdom	20
C?te d'Ivoire	4	19	Belgium	28
Cameroon	10	20	Belgium	21
Canada	15	62	France	13
Chile	14	69	Sweden	28
China	18	84	France	7
Colombia	12	74	Netherlands	11
Congo	9	60	Spain	48
Congo, the Democratic Republic ..	8	46	Israel	1
Costa Rica	1	1	Spain	19
Croatia	14	323	Greece	19
Cuba	10	33	Slovakia	151
Cyprus	6	41	Switzerland	358
Czech Republic	23	363	Sweden	64

TABLE C.2: Countries of Origin of the 2nd, 3rd and 4th Generation Migrants

Country	(1) Distinct Destination Countries	(2) Number of Immigrants from Birth Country	(3) Most Prevalent Destination Country	(4) Number of Migrants to Prevalent Destin. Country
Denmark	13	154	Spain	10
Dominican Republic	7	21	France	270
Ecuador	7	86	Spain	73
Egypt	16	126	Finland	27
El Salvador	3	5	Israel	75
Estonia	7	62	France	113
Ethiopia	11	95	Israel	75
Finland	13	339	Sweden	274
France	24	637	Belgium	194
Gabon	2	2	Belgium	1
Gambia	4	8	Ireland	387
Germany	30	1219	United Kingdom	16
Ghana	10	37	Spain	3
Greece	22	246	Portugal	15
Guatemala	4	6	Cyprus	62
Guinea	8	23	Switzerland	3
Guinea-Bissau	1	9	Portugal	9
Guyana	3	5	United Kingdom	2
Haiti	3	10	United Kingdom	10
Honduras	2	3	Switzerland	2
Hong Kong	4	17	Slovenia	201
Hungary	22	326	France	8
Iceland	6	25	Slovakia	79
India	15	297	Netherlands	154
Indonesia	9	171	United Kingdom	196
Iran, Islamic Republic of	14	269	Norway	3
Iraq	15	428	United Kingdom	151
Ireland	13	224	Israel	294
Israel	9	15	Israel	145
Italy	23	1093	Denmark	12

TABLE C.3: Immigration Flows by Birth Country

Country	(1) Distinct Destination Countries	(2) Number of Immigrants from Birth Country	(3) Most Prevalent Destination Country	(4) Number of Migrants to Prevalent Destin. Country
Jamaica	4	82	Switzerland	351
Japan	10	20	United Kingdom	78
Jordan	9	14	Denmark	3
Kazakhstan	12	221	Switzerland	4
Kenya	7	36	United Kingdom	28
Korea, Democratic People's Repu..	4	4	Netherlands	1
Korea, Republic of	8	13	Denmark	3
Kuwait	3	4	Sweden	2
Latvia	16	97	Germany	85
Lebanon	11	75	Sweden	23
Liberia	2	3	Switzerland	23
Libya	9	94	United Kingdom	2
Lithuania	14	105	Ireland	25
Luxembourg	5	11	Belgium	6
Madagascar	3	15	Estonia	42
Malaysia	7	19	Israel	80
Mali	3	9	Israel	557
Malta	3	11	Ukraine	26
Mexico	9	21	France	13
Moldova, Republic of	15	90	France	7
Mongolia	3	3	United Kingdom	3
Morocco	16	1076	Germany	1
Mozambique	5	40	United Kingdom	9
Myanmar	2	4	Switzerland	6
Namibia	1	1	United Kingdom	7
Netherlands	21	283	Portugal	36
New Zealand	6	11	United Kingdom	1
Nicaragua	1	3	Netherlands	1
Niger	2	2	Ireland	38
Nigeria	12	93	Spain	3

TABLE C.4: Immigration Flows by Birth Country

Country	(1) Distinct Destination Countries	(2) Number of Immigrants from Birth Country	(3) Most Prevalent Destination Country	(4) Number of Migrants to Prevalent Destin. Country
Norway	12	103	Belgium	134
Pakistan	16	191	Sweden	67
Panama	3	3	United Kingdom	5
Papua New Guinea	1	1	Spain	1
Paraguay	4	11	Spain	35
Peru	14	63	Netherlands	1
Philippines	17	86	Ireland	19
Poland	28	1100	United Kingdom	108
Portugal	14	428	Israel	280
Romania	27	782	Luxembourg	134
Russian Federation	28	3211	Spain	8
Saudi Arabia	3	4	Israel	274
Senegal	7	38	Switzerland	40
Serbia	17	144	Estonia	1551
Sierra Leone	1	3	United Kingdom	2
Singapore	4	9	Ireland	5
Slovakia	16	332	Norway	79
Slovenia	10	48	United Kingdom	6
Somalia	9	43	Croatia	13
South Africa	13	83	Czech Republic	246
Spain	20	319	United Kingdom	3
Sri Lanka	11	79	France	17
Sudan	7	16	United Kingdom	10
Suriname	1	109	Netherlands	109
Swaziland	1	2	Spain	2
Sweden	14	151	Israel	80
Syrian Arab Republic	15	134	Israel	2
Taiwan, Province of China	2	2	Germany	3
Tanzania, United Republic of	3	8	Norway	9
Thailand	12	37	Israel	136

TABLE C.5: Immigration Flows by Birth Country

Country	(1) Distinct Destination Countries	(2) Number of Immigrants from Birth Country	(3) Most Prevalent Destination Country	(4) Number of Migrants to Prevalent Destin. Country
Togo	5	10	Greece	241
Trinidad and Tobago	3	5	United Kingdom	3
Tunisia	13	257	Switzerland	1
Turkey	18	949	United Kingdom	5
Uganda	5	17	Estonia	238
Ukraine	27	825	United Kingdom	9
United Kingdom	22	666	Israel	76
United States	26	330	Israel	12
Uruguay	7	27	Spain	11
Venezuela, Bolivarian Republic of	10	25	France	11
Viet Nam	12	71	Israel	233
Yemen	4	236	United Kingdom	29
Zambia	2	6	United Kingdom	5
Zimbabwe	5	20	United Kingdom	13

TABLE C.6: Migration Flows by Country of Destination

Country	(1) Distinct Birth Countries	(2) Number of Immigrants in Destin. Country	(3) Most Prevalent Birth Country	(4) Number Immigrants from most Prevalent Country
Albania	3	21	Greece	19
Austria	38	366	Germany	83
Belgium	80	1231	Italy	204
Bulgaria	14	134	Romania	52
Croatia	8	56	Germany	358
Cyprus	35	167	Greece	62
Czech Republic	20	411	Slovakia	246
Denmark	66	459	Poland	275
Estonia	22	2095	Germany	103
Finland	44	213	Russian Federation	1551
France	73	1349	Morocco	92
Germany	82	1482	Russian Federation	60
Greece	35	729	Algeria	270
Hungary	23	207	Ireland	196
Iceland	15	34	Turkey	241
Ireland	72	901	Serbia	25
Israel	70	3711	Romania	110
Italy	33	70	United Kingdom	387
Lithuania	10	112	Morocco	557
Luxembourg	34	430	Denmark	7
Netherlands	79	850	Romania	8
Norway	60	561	Russian Federation	60
Poland	21	171	Portugal	134
Portugal	31	379	Indonesia	154
Russian Federation	21	411	Sweden	79
Slovakia	14	293	Germany	69
Slovenia	19	326	Brazil	123
Spain	62	746	Ukraine	198
Sweden	86	1057	Finland	274
Switzerland	84	1730	Croatia	201
Turkey	10	66	Czech Republic	151
Ukraine	22	1016	Bulgaria	36
United Kingdom	91	1206	Russian Federation	796
			Albania	5