

guardian.co.uk

Britain loses faith in economy

Global poll shows UK least likely to trust politicians, banks or markets

Julian Glover

The Guardian, Wednesday 14 January 2009

[A larger](#) | [smaller](#)

British economic confidence has been shattered by the financial crisis, according to a unique international poll published today. It shows that people here are now less likely to trust banks, the stockmarket or the government's economic management than people in comparable nations.

The research, carried out by WIN, an international network of pollsters including ICM in Britain, used professional polling techniques to assess public opinion in 17 countries, including the major G8 economies as well as China and India.

On most measures, British people emerged as among the most pessimistic of the 14,555 people questioned around the world.

Remarkably, confidence in the banking system appears lower in Britain - 4.2 out of 10 - than in bankrupt Iceland, which polled 4.6.

While around a third of citizens in developing economies such as India and China say the economic situation in their countries could improve in coming months, more than three-quarters of people in Britain expect it to worsen.

Pessimism here is slightly deeper than in competitors such as France, Spain and Germany, and equal to Japan.

British people are also less likely than average to think that their government can manage the situation, despite Gordon Brown's bank interventions and fiscal stimulus.

Asked to rate their trust in the government's management of the financial situation, British people award the government 4.5 out of 10, below the worldwide average of 5.2 and just ahead of Iceland on 4.4.

Only Germany and Japan are gloomier, scoring 4.0 and 3.0 respectively in the poll which was conducted before Christmas and published today.

These results may reflect the severity of the British position as much as any particular distrust of the British government, and the ICM data was collected before some more recent government initiatives were announced. But they do bring into question the prime minister's claim that Britain is particularly well placed to weather the economic storm.

Several of Britain's competitors are more optimistic about their government's capabilities. Americans award 6.3 out of 10 overall, possibly as a result of the changed mood in the weeks following the presidential election.

Asked about their personal financial situation, however, rather than prospects for the country as a whole, British people are more upbeat.

Not surprisingly, pessimism about personal finances is greatest in Iceland, and lowest in

fast-growing economies such as India. Britain comes 10th out of 17 countries on personal finance: most people here say their incomes will either decrease (25%) or stay the same (48%) over the next 12 months.

The British are more likely than many to think that this could be a good time to buy a house: 28% say so, against 39% who say it is a bad time, which still leaves Britain towards the top end of the international table, seventh out of 17.

However, trust in financial institutions such as banks in Britain is particularly weak, probably as a consequence of the scale of government intervention in banks required since the collapse of Northern Rock.

Britain ranks 16th out of 17 countries for public trust in its banks, just ahead of Germany and well behind countries such as the Netherlands, Spain and France.

Overall, people around the world tend to have a greater level of faith in their government and even in banks than in the stability of the stockmarket, which on average scored 4.0 out of 10 for trust after a terrible performance in 2008.

British people are now particularly cautious, giving the markets a score of 3.2, well below America on 4.3.

Overall, British attitudes to the financial crisis are closest to other old-world economies such as France and Germany, as well as Japan.

Canada, Italy and Spain lead a middle group of more optimistic nations, while developing economies such as India are the most trusting and optimistic.

The research draws upon a mix of face-to-face and online polling, and the variation in results may be affected by this, as well as by different sample sizes.

Long-term differences in national attitudes to subjects such as property ownership, which outlast economic cycles, may also have played a part in today's findings.

But the WIN crisis index, which will now be carried out every three months, does suggest that anxiety in this country is consistently greater in Britain than in its competitors.

- The research was carried out online in Britain by ICM in November, with a sample of 1,050. Worldwide data was collected between November and December 2008 by members of the WIN network. ICM is a member of the British Polling Council and abides by its rules.

guardian.co.uk © Guardian News and Media Limited 2009