

Racial Threat, Direct Democracy and Social Trust

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Abstract: A number of current empirical studies have demonstrated the virtues of more directly democratic institutional systems in encouraging better democratic citizenship. Both American-based and cross-national studies have found that direct democracy increases turnout, participation, interest group activity, efficacy, knowledge, social capital and even happiness among citizens. In short, direct democracy makes democracies better by helping to encourage better democratic citizenship. In this study, I test whether these effects may be conditional on the racial and ethnic diversity of the electorate. The theoretic motivation for doing so rests on a simple model of conflict; in relatively homogeneous areas, majoritarian means of policymaking ought to instill faith in democracy. However, when considerable diversity exists, institutional design must put a premium on protecting minority rights; policymaking by majority rule will create racial conflict due to the perceived threat of large numerical minorities by majority groups. I hypothesize that in areas of greater diversity, many of the powerful democratic citizenship socialization effects will be mitigated, especially as it relates to trusting strangers (i.e. the level of generalized trust). Using pooled data from the American National Election Study, I demonstrate the diversity conditional effects of ballot initiative context on generalized trust. Results demonstrate that direct democratic institutions indeed do a much better job of promoting good democratic citizenship characteristics in racially homogenous, rather than heterogeneous areas, and that diversity is related to lower levels of distrust.

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“The larger danger, of course, is precisely the nondeliberative quality of the California-style initiative, particularly in a society that is far less monocultural than the Swiss and doesn’t have the luxury of slow Alpine trudges to reflect on what it’s about to do.”

- Peter Schrag, *Paradise Lost*, p. 269

While several commentators (c.f. Schrag 1998, Broder 2000) have offered less-than-glowing evaluations of the 100 year old experiment that allows citizens in about half of all states to draft and vote on citizen-directed legislation, a growing body of high quality empirical research has defended direct democratic institutions. In short, the literature has argued that concerns about citizen competence are unfounded (Lupia 1992; Lupia 1994; Bowler and Donovan 1998; Lupia and McCubbins 1998), money plays a relatively marginal role in ballot initiative campaigns (Magleby 1984; Bowler and Donovan 1998; Gerber 1999), and when direct democracy does affect policy, it moves it closer to the median voter (Gerber 1999; Matsusaka 1995, 2004). In addition, the institution has had positive effects on the building blocks of democratic society; citizens who have the opportunity to participate in referendum and initiative voting are generally more informed (Smith 2001; Smith and Tolbert 2004), efficacious (Bowler and Donovan 2002; Smith and Tolbert 2004) and in a well cited study of referendum voting in Switzerland, they even report higher levels happiness (Frey and Stutzer 2000a, 2000b).

Summarizing findings from the extant literature on direct democracy, Lupia and Matsusaka (2004, 479) note that:

“Much of the new research paints a comparatively positive picture of the initiative and referendum.”

However,

“Despite substantial evidence that the mere presence of direct democracy induces more median-oriented policy outcomes, median outcomes may not always be a good thing. Indeed, much of the Constitutional apparatus of American

government is intended to prohibit median outcomes when the majority threatens the rights of the minority.”

Questions of majority tyranny in the direct democracy literature have proven somewhat elusive to researchers employing a positive approach and empirical methods¹, given that majority tyranny is largely a normative concern². Many of the arguments concern how to define majority tyranny (Hajnal, Gerber and Louch 2002). However, even when normatively unobjectionable criteria are agreed upon, consistent findings are not the norm. For example, Gamble (1997) and Frey and Goette (1998) both define majority tyranny as the passage rates for popular initiatives and referendums, and find seemingly contradictory results in the case of the American States and Switzerland. Donovan and Bowler (1998) find that jurisdiction size is negatively associated with tyranny by ballot measures regarding gay rights; this finding is disputed in a replication and extension by Haider-Markel, Querze and Lindaman (2007).

The present article is a theoretically motivated attempt to recast this debate. To date, the criterion used to assess majority tyranny has focused almost entirely on evaluating policy outcomes produced by direct democracy and evaluating them as tyrannical or not tyrannical. Reasonable people might disagree, for instance, that repealing affirmative action programs like California’s Proposition 209 is an example of majority tyranny, while others might argue that it is sensible majoritarian policy.

¹ There are a few notable exceptions here. Bowler, Nicholson and Segura (2006), for instance, demonstrate that a series of race targeted initiatives in the 1990s hurt the Republican party’s long-term electoral fortunes in the state. Hajnal, Gerber and Louch (2002) show that minority groups are on the winning side of initiatives with approximately the same frequency as whites.

² For instance, the work of Gerber (1999) shows that states with the initiative brought policy closer to the median voter on parental consent abortion laws. But the argument ends there. A positive approach is not able to evaluate the “rightness” or “goodness” of such a policy. The implicit assumption is that these institutions should give the voters what they want.

Given the lack of consensus that has emerged in the current literature, I propose an alternative evaluative criterion, theory, and empirical model for demonstrating the effects of direct democracy on relationships between majorities and minorities: generalized social trust, or trust in strangers. The core of the argument is that participatory democratic theory and racial and ethnic politics collide at the ballot box; in the face of racial diversity, the positive impact that direct institutions like ballot initiatives exert on civil society are mitigated. Data from the 1996-2004 American National Elections Study confirm the hypotheses derived from theory. The findings help to resolve a number of lingering questions from the literature, as well as provide an alternative way of addressing majority tyranny concerns in direct democracy.

Direct Democracy and Racial/Ethnic Politics

At the center of the American democratic experience have been conflicts over race. Key (1949) recognized race as being of central importance in structuring the views of whites living in closest proximity to large native white populations. Empirical support has been found for this perspective in the work of Hero and Tolbert (1996) and Hero (1998). Carmines and Stimson (1989) demonstrate the pre-eminence of race in structuring partisan politics in America during the 20th century. Indeed, this perspective is perhaps best summarized by Rogers Smith (1993, 550):

“Many adherents of ascriptive Americanist outlooks insisted that the national’s political and economic structures should formally reflect natural and cultural inequalities, even at the cost of violating doctrines of universal rights. Although these views never entirely prevailed, their impact has been wide and deep.”

Given the pre-eminence of race in the American story, it will come as no surprise to learn that racial and ethnic politics have been a central, distinguishing feature of the

American experience with direct democracy. While California initiatives like Proposition 187 in 1994, which sought to prevent illegal immigrants from receiving state services, Proposition 209 in 1996, which ended affirmative action by state agencies, and Proposition 227 in 1998, which ended bilingual education programs in the state, have garnered the most attention, racially charged initiatives have not been confined to the golden state's borders. In 1998, Washington state voters passed a copycat version of Proposition 209, outlawing affirmative action in state hiring and educational admissions practices; the state of Michigan followed suit in 2006. Arizonan voters outlawed bilingual education in a 2000 vote, which preceded a similar vote in Massachusetts in 2002. Colorado and Florida joined California in the 1980s to pass laws making English the official state language, which preceded a similar law passed in Alaska in 1998. Additionally, in 2004, Arizona passed Proposition 200 which prevents illegal immigrants from enjoying state benefits in a similar vein to California's Proposition 187.³

Voting behavior on such initiatives usually breaks down on racial lines, with threat (Key 1949) being a strong predictor of white support for racially charged initiatives (Alvarez and Butterfield 2000; Branton et. al. 2007; Tolbert and Hero 1996). Testing Key's racial threat hypothesis, Tolbert and Hero (1996) find that whites are more likely to support anti-minority policies at the ballot box if they live in a racially heterogenous society, when a relatively large minority population exists in geographic proximity to a relatively homogenous white population. While this research indicates instances where voting is clearly racially motivated, there remains ambiguity about whether conflictual racial policy proposals become more salient *because* of direct democratic institutions. Within the literature, an unresolved debate has arisen about whether direct institutions

³ Examples were compiled by author from <http://www.iandrinstitute.org/>

actually promote anti-minority policies, and whether initiatives that have been considered constitute problematic majority tyranny.

In a widely cited and controversial 1997 study, Gamble argued that direct democratic institutions in the American states resulted in the type of majority tyranny feared by the American founders. Whilst a minority of all ballot initiatives pass (approximately 40%), anti-minority initiatives passed at a much higher rate, in excess of 75 percent of the time.⁴ Yet, there are many reasons to doubt the majority tyranny argument. First, the finding is not replicable cross-nationally; in Switzerland, pro-minority outcomes pass at much higher rates (Frey and Goette 1998). Secondly, the Gamble (1997) study suffers from potential selection bias, given that racially charged ballot initiatives are not comprehensively catalogued. Finally, statute initiatives, like Prop 187, do not circumvent the checks and balances built into the American system. In fact, many anti-minority initiatives have been stopped, delayed and changed by court, executive, and legislative actors at the implementation stage of the policy process (Gerber et. al. 2001). For example, in the case of Proposition 187, an injunction was filed against its implementation before it had even passed, and after 4 years in the court system, the bill was eventually killed with the election of Gray Davis in 1998. To be sure, some so-called “anti-minority” initiatives do get implemented (like Proposition 209), but they first have to pass muster with the court system, which validates their constitutionality. Additionally, the local level differences in implementation of Proposition 227 highlights the agency freedom afforded to local-level bureaucrats in implementing statewide initiative mandates (Gerber et. al. 2001, Chapter 13). Even if evidence exists that

⁴ Boehmke and Patty (2007) argue that the relatively low overall passage rate is indicative of the fact that legislatures are, for the most part, fulfilling their promise of representing the public’s policy desires.

measures pass, the gap between adoption and implementation has highlighted that the constitutional apparatus still exists to respond to potentially tyrannical ballot measures; majoritarian direct democracy must still contend with checks and balances. There exists, therefore, considerable doubt that any of the evidence presented is actually indicative of majority tyranny.

Cognizant of the shortcoming of the extant literature and in an attempt to evaluate performance more comprehensively, Hajnal, Gerber and Louch (2002) demonstrate that most individuals, regardless of race and other socioeconomic and demographic characteristics, are on the winning side of ballot initiatives most of the time (all groups have a winning percentage of about 60%). This finding suggests that with only a few exceptions, voting on ballot measures does not break down on racial/ethnic lines. Even if every passed ballot initiative were an instance of tyranny of the “yes voters” over the “no voters,” different groups of voters make up the winning coalition in an almost random fashion. Whilst these findings suggest that majority tyranny concerns have been overstated, the findings leave us in normatively murky territory. On the most controversial measures that they evaluated, Hajnal, Gerber and Louch (2002) found racial and ethnic minorities do end up on the losing side of measures. How many measures are required to cross the threshold into majority tyranny? The approach taken in the literature is unable to answer this question.

One other consideration from the literature is worth noting. Two studies find divergent results on whether jurisdiction size affects anti-gay outcomes (Donovan and Bowler 1998; Haider-Markel, Querze and Lindaman 2007). The argument stems from the Federalist claim that larger societies would experience less majority tyranny. This

kind of debate highlights the general oversight in the literature with regards to multiple traditions of American political culture (Smith 1993). The size-of-jurisdiction argument fails to account for the exceptional politics of race that has existed in American society, especially when dominant citizens are surrounded by critical numbers of racial and ethnic minorities (Key 1949). This is not to say that the size of jurisdictions argument is not interesting or relevant, but theory would lead us away from the generalizability of this finding to racial and ethnic politics, where tyranny would be predicted to be function of threat/proximity and not jurisdiction size. Indeed, one needs to look no further than the state of the nation's largest state – California – where issues that dealt with the rights of racial and ethnic minorities were considered in greater frequency as the Latino population expanded.

This review of the literature highlights a series of unanswered questions regarding race and direct democracy. In the proceeding section, I outline a theory that explicitly accounts for race politics in understanding the institutional-citizenship links in participatory democratic theory.

Theory: Direct Democracy, Diversity and Social Trust

Untangling the effects of racial and ethnic politics in direct democracy, then, is a complicated task. While perhaps some issues come to the political forefront which may otherwise not have been considered and there is clear evidence of racially charged voting behavior, checks and balances in the system still exist, and proponents of controversial initiatives have much to risk if they play fast and loose with the race card⁵. Hajnal, Gerber and Louch (2002, 174) conclude that “there is little overall anti-minority bias in

⁵ See Bowler, Nicholson and Segura 2006

the system of direct democracy... [H]owever... when minority rights were the direct and immediate targets of direct legislation measures, nonwhites tended to do the worst.”

The ambiguities that remain within the literature can be summarized as follows. Those who argue that minorities are tyrannized have not accounted for the fact that majoritarian policymaking is still potentially mitigated by checks and balances. However, those that argue for the lack of majority tyranny have not probed the possible psychological effects of just a few anti-minority propositions. Whilst these studies are all centrally concerned with whether direct democracy makes democratic society function better, they lack explicit links from policy outcomes to democratic performance. Additionally, too little attention has been paid to the way in which racial context might structure evaluative links. The present study proposes two improvements. The first is to use an alternative and less controversial evaluative criterion for assessing if the racial politics that play out via the initiative and referendum are consequential for democratic civil society, and thus ultimately problematic. The second is to consider the way that participatory democratic institutions and racial and ethnic diversity interact when direct institutions are used. I argue that the output of direct democratic institutions will be contingent on how much racial conflict exists within the polis.

Social Trust as an Evaluative Criterion

Since Putnam’s (1993; 2000) landmark work, a great deal of research has been directed at examining the various correlates which lead to a more civil society. The building blocks of such a society are social capital, and foundationally, the trust that we are willing to place in strangers. Social trust is related to expressed confidence in government, among other things (Brehm and Rahn 1997). A trusting society is a society

where civic engagement is plentiful, and where democratic institutions are stable due to a willingness to compromise, high levels of loser's consent and high rates of participation. Uslaner (2000) calls social trust – more specifically “generalized trust” or trusting strangers – “the chicken soup of social life.” (see also Knack 2002). While there is some disagreement as to exactly where trust comes from⁶, there is widespread agreement that it is extremely important to democratic society (Hardin 1992; Knack 2002; Putnam 1993, 2000; Stolle 1998; Uslaner 2002).

While studies of direct democracy have noted the importance of the externalities for citizens created by the system in the forms of higher turnout, awareness, efficacy and happiness (e.g. Bowler and Donovan 2002; Frey and Stutzer 2000a, 2000b; Smith 2002; Smith and Tolbert 2004), very little research has linked direct democracy to civil society. The lone exception is from Smith and Tolbert (2004, Chapter 3), who find that initiative states tend to have higher levels of social capital. Still, no research has examined these effects at the individual level, nor have they been examined directly in terms of generalized social trust. A connection between direct democracy and social trust, then, would add an important piece to the already impressive list of democratic features that direct democracy promotes, particularly in light of the contention from participatory democratic theory that more opportunities to participate will foster good democratic citizens (Barber 1984; Pateman 1970).

⁶ Putnam (2000) argues that trust is a bi-product of civic engagement, while Uslaner (2000; 2002) argues that some measures of civic membership – being in a bowling league for instance – are not likely to foster trust in strangers unless there is sufficient diversity. Instead, he argues, generalized distrust is something learned early in life, and to the extent that it is dynamic, it changes in response to economic inequality.

Racial and Ethnic Context

Peter Schrag described former California Governor Pete Wilson's support for Proposition 187 thusly: "When he was asked during a debate what he would do if he were a school principal forced to throw illegal alien children out of school, he declared that it would never get to that, since it would be stopped in the courts before that could occur. In endorsing it, he said, he was only sending a message." (Schrag 1998, 233) In short, the point of many race-based ballot initiatives is to force consideration of controversial policies that would be tabled through the regular course of legislative vetting; to make the issues readily salient, even if it is unlikely that policy will actually be altered.

Through publicizing racially charged issues, even those that are expected to be nullified by the court, initiative proponents are acutely aware of the issues they are making front and center, either for the fulfillment of their own electoral ambition (Nicholson 2003), or to nationalize an issue. Consider how this ought to effect the trust we place in strangers. For groups voting in the "majority" (i.e. whites), the initiatives suggest that others are getting undeserved benefits from the state that are being paid for with the majority's tax dollars. For minority groups, the racial divide in voting apparent in the elections highlights the "us/them" divide in society. Considering that the outcome is often "stolen," race-based initiatives can often highlight conflict and gridlock, two things that Americans find particularly distasteful about politics (Hibbing and Theiss-Morse 2002). If civil society is about trusting strangers, consideration of issues like Proposition 187 ought to erode social trust.

Racial context, then, has the potential to play a large role not only in the amount of generalized trust espoused by Americans, but also in mitigating the direct democracy-

trust relationship. I argue that ballot initiatives can only activate and enhance social trust when racial and ethnic politics are not played out in a controversial and public manner. To understand this argument, consider the findings linking social capital and racial diversity. Hero argues that “[t]he size of these racial minority populations in a state is taken as a reasonable barometer of the extent to which the legacy and current effect of racial (ascriptive) hierarchy is manifest in political jurisdictions.” (2007, 48) Hero (2007) goes on to argue that in many ways, racial diversity and social capital explanations of American society are at odds. Political disputes that occur in homogeneous states reflect something akin to a “family feud,” while disputes that play out in racially diverse settings tend to amplify conflict between groups and are more often about core values. Notably, higher levels of social trust exist in less racially diverse states (Hero 1998; 2007; Putnam 2000). Given the clear evidence in the behavioral literature on racial threat responses in elections on issues like Proposition 187, the content of initiatives can prime individuals to see politics in terms of an us/them mentality, creating a wedge between racial and ethnic groups. Consequently, we should perhaps not be perplexed by the seeming incompatibility of Gamble’s (1997) findings of majority tyranny in the American context with Frey and Goette’s (1998) findings from Switzerland. The problems with Gamble’s study notwithstanding, the key difference between these two studies is that they are being evaluated without giving America’s history with race and inequality its due deference.

In light of this, it would seem as though the links in participatory democratic theory regarding direct democracy and social trust are at least mitigated by diversity. Given that most initiatives are not about race, and that most people are on the winning

side most of the time (Hajnal, Gerber and Louch 2002), it seems unlikely that the positive effects of direct democracy on social trust would be completely reversed. Consistent with the work of Smith and Tolbert (2004) and others, the theory of participatory democracy argues that citizens will feel more connected to others in a society where they are given frequent opportunities to participate. However, the racial/ethnic politics perspective would argue that racial conflict would take center stage when majoritarian voting meets racial threat.

From these two perspectives, I derive the following three hypotheses:

H1: Citizens exposed to more frequent ballot initiatives will be more likely to trust others than those never exposed to such institutions.

H2: Citizens in states with higher levels of racial diversity will trust others less than citizens in states with lower levels of racial diversity.

H3: Racial diversity and direct institutions will interact – in states that frequently use ballot measures, the effect of racial diversity on mistrust will be amplified; in states with high levels of racial diversity, the positive effects of ballot measures on social trust will be mitigated.

Analysis

To test these hypotheses, I use a pooled cross-sectional dataset of the American National Election Study archive from 1996-2004. During that period, the ANES asked the question “Generally speaking, do you believe that most people can be trusted, or can't you be too careful in dealing with people?”, the standard question used in previous studies to measure generalized trust (Uslaner 2002).⁷

⁷ I chose to exclude 2002 from the analysis as trust in strangers temporarily spiked in 2002 following the events of 9/11. After the 2004 campaign, however, trust had returned to “normal” levels. In addition, the

Since initiatives are statewide phenomenon, the independent variable of interest here has to be a contextual level measure associated with individual level units at the state level. Since we are measuring context effects for individual level units, the appropriate methodology is to model this relationship with a hierarchical model. Given the dichotomous nature of the dependent variable, generalized trust, I use a restricted maximum likelihood Hierarchical Generalized Linear Model (HGLM) with a logit link function. The model is specified as follows. At level one, the model is:

$$P(\text{Trust}) = P \log\left(\frac{P}{1-P}\right) = \beta_0 + \beta_1(\text{Age}) + \beta_2(\text{Female}) + \beta_3(\text{Black}) + \beta_4(\text{Hispanic}) + \beta_5(\text{Education}) + \beta_6(\text{Income}) + \beta_7(\text{Party ID}) + \beta_8(\text{Strength of Party ID}) + \beta_9(\text{Trust in Government}) + \beta_{10}(\text{Participation History}) + \beta_{11}(\text{Church Attendance}) + E$$

The Level Two model is specified as:

$$\beta_0 = \gamma_{00} + \gamma_{01}(\text{Total Initiatives}) + \gamma_{02}(\% \text{ Diversity}) + \gamma_{03}(\text{South Dummy})$$

$$\text{All other } \beta_j = \gamma_{j0}$$

A variety of different measures have been used to measure the contextual concept of exposure to ballot initiatives. Here, I am employ a simple count of the number of proposed initiatives in a state in the given election year to capture the depth of the initiative context in the most recent election (states that have frequent initiatives versus those that have the system, but rarely use the system). A measure of frequency of initiatives makes the most sense in attempting to test the effect of direct democracy on democratic citizenship characteristics, as the mechanism underlying the educative effect of democracy should be sensitive to the pervasiveness of direct democracy decision-

income variable from the 2002 ANES was experimental and is not consistent with previous years of the study, making its exclusion all the more appropriate.

making within a state.⁸ This has shown to be true in studies that connect a continuous measure of exposure to direct democracy with efficacy, turnout, and knowledge (Smith and Tolbert 2004).⁹ To be sure, it is also theoretically possible that there are both short and long term effects of direct democracy, and therefore we should include a measure of average initiatives over time, as well as for the most recent election. However, including both measures introduces severe multicollinearity into models.¹⁰

An additional contextual measure is included to capture the racial/ethnic diversity of the state. This is measured using 2000 Census data as the proportion of the state population who did not identify as non-Hispanic white/Caucasian (range is 0 to 1). In accord with findings from Key (1949) and Tolbert and Hero (1996), the general expectation is that states with greater levels of racial and ethnic diversity will have lower levels of generalized trust, as race-based policies garner more consideration. A control variable is also included in the model for the South and is included to control out for the specific kind of diversity-distrust relationship which may persist in Southern politics.¹¹ In addition, I present the model as specified above, and then include an interaction of racial diversity and total number of initiatives in a subsequent model.

At the individual level, the model includes a series of demographic factors which ought to be associated with levels of generalized trust: age, gender, race/ethnicity, education (by highest degree attained), as well as income. The expectation is that

⁸ The idea here is that a person who usually votes on ten initiatives is getting a more intense version of direct democracy than someone who typically votes on only a single measure.

⁹ An alternative might be to model the institutional process as a dichotomy (0,1). This makes sense in terms of assessing policy effects, given that direct democracy can both directly and indirectly effect policy outcomes (Lascher et. al. 1996; Matsusaka 1995; Gerber 1999), but does not capture the essence of the variation in initiative exposure thought to commonly predict secondary benefits from direct democracy.

¹⁰ VIF scores of 25 or more are typical, depending on the model and measures. It turns out that number of initiatives at t is highly correlated with number of initiatives at t-1.

¹¹ I ran models both with and without this control and found no discernible differences.

protected minority groups should exhibit lower levels of trust in strangers due to historic discrimination (i.e. they have greater cause to distrust strangers). Those with higher socioeconomic statuses also should trust at higher levels.

In addition, I include a series of political and attitudinal factors commonly thought to be associated with social trust: party identification (7 point scale), strength of party identification (1-4 from pure Independent to strong partisan), trust in government, participation (count of number of instances of participation constructed from VCF0723 in the ANES cumulative file) and church attendance. The expectation for the party measures is that Democrats will be more likely than Republicans to trust others, while political Independents ought to be less likely than partisans to trust others. Political trust is also included even though past studies have shown only a marginal relationship between the two concepts, given that political trust is thought to be more responsive to short term forces than social trust (Uslaner 2002). The participation index and church attendance measures are included as indicators of group membership and civic engagement (Putnam 2000).

The first hypothesis to be tested is that direct democracy catalyzes trust in strangers. The full specification of the HGLM model testing this hypothesis is presented in Table 1.¹² In general, there is support for the proposition that direct democracy, on average, leads to higher levels of generalized trust, a measure thought to be a critical

¹² While HGLM is the appropriate specification of this model, the model presented has some potential problems associated with it. Notably, the level-2 variables are defined as state-years. Because of this specification, errors are going to be correlated within states, biasing the standard error estimates. In order to assess the extent of this problem, I specified the model with a simple logit function and clustered the standard errors on state. The results were not statistically or substantively different, assuaging this concern. These results are available from the author upon request.

indicator of democratic health. This finding is in accord with the general findings for the literature that the institutions like the initiative and referendum are good for democracy.

[Table 1. about here]

The second hypothesis, in accord with extant literature, is also confirmed in Table 1. Citizens who live in states with larger minority populations experience lower levels of trust, on average, than more homogenous states; this effect persists in the face of individual level controls for race/ethnicity suggesting the effect is present among whites as well as minorities.

Many of the additional variables work as expected. Older Americans, as well as those with higher levels of income and education, are more trusting than their younger, lower income, and less well educated counterparts. Members of protected groups also tend to be less trusting of strangers: women, African Americans, and Latinos all espouse lower levels of trust in strangers.

Among the attitudinal controls, trust in government is most strongly related to trusting others, confirming the findings from previous research. Those who participate (beyond voting) at higher levels are also more trusting of others. Church attendance just fails to reach standard levels of statistical significance; however, the effect is in the expected direction. The most important differences in social trust among party identifiers occurs between Republicans and Democrats, with Republicans being less trustful.

In Table 2, I present the model which tests the third hypothesis – that the effects of direct democracy on social trust are contingent upon racial homogeneity. The expectation is that citizens in homogenous white states should experience a higher return from direct democracy, in terms of enhanced social trust, than those in more racially

diverse states. To test this hypothesis, I interact the measure of initiative context with the state's racial diversity. A second version of the interactive model is presented in Table 2 that restricts the sample to white respondents only.

[Table 2. about here]

The results from Table 2 offer support the interactive hypothesis. The coefficient for total number of initiatives measures the effect of direct democracy when racial diversity is zero; the effect is positive and statistically significant and is substantively larger than the reported effect in Table 1¹³. However, as racial diversity increases, the negative sign on the interaction term indicates that the effect is mitigated. Among the control variables, very little changes with the addition of the interaction term. When the sample is restricted to white respondents only, the model is ostensibly the same.¹⁴ Given that the outcome variable is modeled using a logit link function, the effects are not readily interpretable. I present the interactive effects as graphs in Figure 1.

[Figure 1. about here]

The average racial diversity of states is about 22%. A more homogeneous state, like Iowa, for instance, is 95% white, while California's non-Hispanic white population makes up only half of the state. Figure 1 presents the effect of ballot initiative context on generalized trust at three different levels of racial diversity. The line with the steepest slope is based on predicted probabilities for a perfectly homogeneous "white" state (minority population = 0%). The effect for a resident living in such a state, as ballot

¹³ One possible concern is that the inclusion of the interaction confounds the model with high levels of multicollinearity. No VIF score for the model is over 2, suggesting that there are no multicollinearity problems in the models presented.

¹⁴ The motivation of including this analysis is to probe whether the mitigating effects of diversity on the direct democracy-social trust link were race dependent. The results suggest that they are not. This finding is important to the argument and its implications are taken up in further detail in the conclusion.

initiatives are varied from their minimum value (0) to their maximum value (21), produced a percentage point increase in the predicted probability of trusting strangers of over 20 percent!¹⁵ In a more typical state, where 25 percent of the population is a racial or ethnic minority, that change in predicted probability is cut in half. In the most diverse states (racial diversity=50%), however, there is no discernible effect of exposure to ballot initiatives on trust in strangers. The mitigating effect of racial diversity, then, in a state like California, is large enough to undo any of the positive democratic consequences associated with greater use of ballot initiatives.

[Figure 2. about here]

It is important to note, however, that the effect does not completely flip all the way around. Given the theory put forward, it would have been possible for direct institutions to present racial conflict and therefore to observe lower levels of social trust in states that are diverse and frequently use the initiative process. However, given that most of the time, the content of initiatives is not about race, the countervailing forces of racial conflict and engagement seem offset at approximately equal values. The presence of occasional race-based initiatives is sufficient to undo all of the secondary beneficial value built up by having a direct democratic process. Substantively, then, initiatives that have been dubbed “majority tyranny” are shown to have substantial harmful effects on civil society, even among dominant groups. An alternative way to see this effect is by examining the initiative conditional effects of diversity on social trust. This is presented in Figure 2. As diversity increases, the lines converge, suggesting that there is little

¹⁵ Holding other values constant at mean or modal values: A non-southern, 47 year old white man with some college education, a family income of \$40,000-60,000 who engages in one form of political participation in an election year, distrusts government most of the time, attends church once a month, and identifies as politically Independent.

difference between states that frequently use or never use ballot initiatives in the presence of racial and ethnic threat/context.

Discussion and Conclusion

This paper has proceeded with a relatively simple and straightforward test of the effect of direct democracy on social trust. Given that generalized trust is one of the building blocks of civic society, the paper offers an important test of the secondary effects of direct democracy. In addition, it also provides an alternative framework for assessing whether the conflictual racial policy issues which have often been considered in ballot initiative elections are harmful, even if race is usually *not* the subject of ballot measures, and if the most controversial measures are often invalidated by courts. In other words, the interactive effect of racial context and direct democracy offers a test of whether the heightened racial tensions in ballot measure elections have had harmful unintended consequences for democratic society, regardless of how policy has or has not changed. Proposition 187 has been invalidated for a decade, but do its implications still linger?

Two central findings are presented in answering these questions. First and foremost, direct democracy clearly has the potential to enhance democratic society. In addition to enhancing positive citizenship characteristics like knowledge and political participation, ballot initiatives also appear to enhance social trust.

Yet, this finding carries an important caveat. Direct democracy is at its best when communities making choices are less racially diverse. In a state like California, the results presented herein suggest that any positive effects on society are completely mitigated when constituencies are diverse, and by extension, when racial politics play out

in very noisy and fiercely majoritarian ways. The substance of the negative effects of a few race-based initiatives in a diverse state are sufficient to undo all of the positive effects associated with having more participatory democracy, by allowing citizens to vote on policy issues.

Furthermore, the results are not contingent on the race of respondent. When the model is restricted to whites only, the findings hold up at equal levels. This suggests that the direct democracy-social trust relationship erodes in diverse settings even amongst those from non-minority groups. This confirms the expectation of conflict leading to a less civil society. Direct democracy, at least in terms of building trust in others, loses its luster when group politics is race-based. Indeed, a number of important implications flow from this finding, not the least of which is that the Californian experience seems to be somewhat exceptional. This should, at the very least, give researchers pause when attempting to evaluate direct democracy with a flurry of California data.

By extension, in relatively homogeneous societies, we should be careful to generalize too far about the potential benefits of participatory democracy on civil society. The findings highlight the importance of race as a contextual structuring and determining factor in American state politics. What's good in Swiss cantons, may not extend to California.

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Table 1. Hierarchical Generalized Linear Model of Generalized Trust by Initiative and Racial Context, American National Election Study 1996-2004

Fixed Effects (Unit Specific Model)				
Level 1 (Individual)	Level 2 (State Context)	β	Robust SE	p-value
Overall Means	Intercept	-3.297	0.249	0.000
	Total # of Initiatives	0.021	0.009	0.011
	% Diversity	-1.210	0.345	0.001
	South	-0.088	0.093	0.173
<i>Demographics</i>				
Age	Intercept	0.015	0.002	0.000
Female	Intercept	-0.152	0.063	0.008
Black	Intercept	-0.946	0.132	0.000
Hispanic	Intercept	-0.245	0.131	0.031
Education	Intercept	0.294	0.027	0.000
Income	Intercept	0.250	0.035	0.000
<i>Attitudinal Variables</i>				
Party Identification	Intercept	-0.031	0.017	0.032
Strength of Party ID	Intercept	0.029	0.032	0.178
Trust Government	Intercept	0.376	0.056	0.000
Participation Index	Intercept	0.110	0.035	0.001
Church Attendance	Intercept	0.022	0.021	0.148
<i>Year Specific Effects</i>				
1996 (0,1)	Intercept	-0.096	0.117	0.206
1998 (0,1)	Intercept	0.074	0.130	0.286
2000 (0,1)	Intercept	0.397	0.112	0.001

Notes: Estimates are from restricted maximum likelihood analysis of generalized hierarchical model. Dependent variable is modeled as a Bernoulli distribution using a logit link function.

Table 2. Hierarchical Generalized Linear Model of Generalized Trust by Initiative and Racial Context, American National Election Study 1996-2004

Fixed Effects (Unit Specific Model)		All Respondents			Whites Only		
Level 1 Individual	Level 2 State Context	β	Robust SE	p-value	β	Robust SE	p-value
Overall Means	Intercept	-3.368	0.254	0.000	-3.303	0.276	0.000
	Total # of Initiatives	0.049	0.012	0.000	0.055	0.012	0.000
	% Diversity	-0.886	0.393	0.013	-0.809	0.385	0.037
	Initiatives x Diversity	-0.088	0.042	0.019	-0.101	0.053	0.059
	South	-0.116	0.093	0.108	-0.139	0.106	0.192
<i>Demographics</i>							
Age	Intercept	0.015	0.002	0.000	0.013	0.003	0.000
Female	Intercept	-0.154	0.063	0.008	-0.179	0.073	0.015
Black	Intercept	-0.953	0.131	0.000	---	---	---
Hispanic	Intercept	-0.248	0.131	0.029	---	---	---
Education	Intercept	0.293	0.027	0.000	0.292	0.029	0.000
Income	Intercept	0.253	0.035	0.000	0.258	0.038	0.000
<i>Attitudinal Variables</i>							
Party Identification	Intercept	-0.031	0.017	0.032	-0.036	0.017	0.037
Party ID Strength	Intercept	0.030	0.032	0.175	0.108	0.043	0.013
Trust Government	Intercept	0.378	0.057	0.000	0.396	0.064	0.000
Participation Index	Intercept	0.110	0.035	0.001	0.022	0.037	0.540
Church Attendance	Intercept	0.023	0.021	0.139	0.027	0.022	0.223
<i>Year Specific Effects</i>							
1996 (0,1)	Intercept	-0.103	0.117	0.189	-0.067	0.131	0.607
1998 (0,1)	Intercept	0.064	0.127	0.308	0.052	0.144	0.719
2000 (0,1)	Intercept	0.387	0.112	0.001	0.472	0.128	0.000
Level 1 N			4625			3422	
Level 2 N			146			141	

Notes: Estimates are from restricted maximum likelihood analysis of generalized hierarchical model. Dependent variable is modeled as a Bernoulli distribution using a logit link function.

Figure 1. Interactive Effects of Racial Diversity and Direct Democracy on Generalized Trust

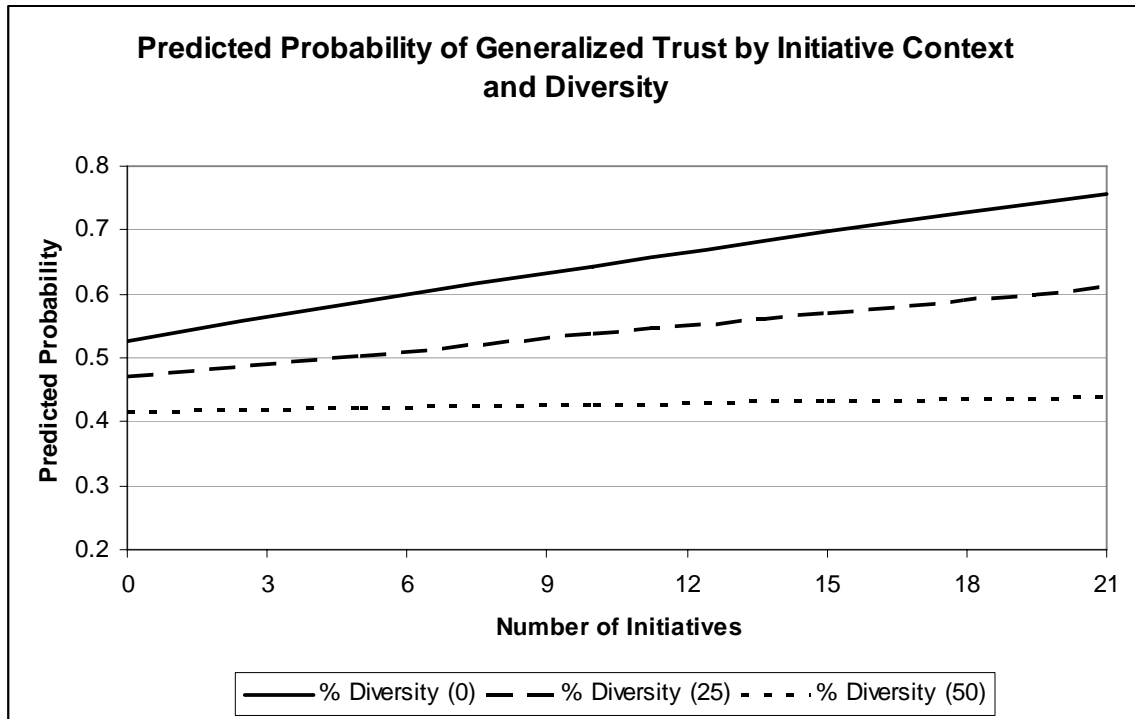


Figure 2. Interactive Effects of Racial Diversity and Direct Democracy on Generalized Trust

