Epilogue

Trust and the Civic Community

Thanks to recent cautionary tales, it’s easy to wonder if everyone is out to get us. Treachery just isn’t what it used to be in the good old days of gentlemen’s duels.

From an F.B.I. counterintelligence expert [exposed as a Russian spy] to a... busboy [who obtained the Internet passwords of 217 of the world’s richest people and ran a series of scams that garnered him millions of dollars], cutting-edge duplicity fuels the rising public suspicion that no one is to be trusted.

Bader (2001, WK4)

Trust, once more, is the chicken soup of social life. But like chicken soup, its curative powers have been oversold. Both trust and chicken soup do lots of good things, but they don’t cure all of our ills or solve all of the problems we face in daily life. Neither chicken soup nor trust will make us better golfers or bowlers or even make us more likely to join a bowling league. Both chicken soup and trust can make us feel better, and trust trumps chicken soup because it can also make us feel better about others. It can lead us to civic engagement with people who are different from ourselves and it can foster doing good deeds for those who are less fortunate. It can also make us more willing to look for common ground when we disagree with others about how to solve societal problems.

We are often wary of people who think differently from ourselves. And we are likely to
think that people who look different from us may hold different values as well. We worry that people with different values might somehow take advantage of us if we let them have their way. Perhaps they would press for public policies that would grant themselves special privileges at our expense. So one way we cope with the fear of being exploited is only to trust people we know. But since even the most sociable person cannot know very many people, we might restrict our trust to people we know (or believe that we know) think like we do. Yet, barricading ourselves into communities of our own kind is costly. We won’t fare nearly as well as we could when we foresake the gains of trade (Woolcock, 1998, 158).

To prosper, we must take risks. And these risks involve trusting other people. When we trust others, we push aside areas where we disagree and look for common ground. You and I may disagree about politics. We may come from different backgrounds, even have different religious beliefs (or none at all). Yet we accept two fundamental arguments. First, at some critical level, most people share a common set of moral values. This seems an innocuous enough assumption—until we realize that trusting “most people” involves making inferences about people you don’t know (and will never meet). Such trust involves a leap of faith, as well as a heavy dose of optimism that other people are in fact trustworthy. The “safe” path is to assume the contrary—that people are guilty until proven innocent.

The benefits of generalized trust point to its moralistic roots. We are unlikely to accept the argument that most people can be trusted if we rely upon our experience. We don’t know “most people” and there is little reason to believe that “most people” are like the people we know. No variety of socializing leads people to become more trusting. The only types of civic engagement that can produce trust clearly have moral roots (volunteering and giving to charity).
It is hard to figure out how socializing with people you know will make you more tolerant of people who are different from yourself, or more supportive of greater immigration, fewer trade barriers, and civil rights. It is difficult to make a connection between knowledge-based trust and better government institutions. It is even less plausible to make a link between trust in people you know and taking their money and giving it to poorer people that neither you nor they know. You can make a better argument that strategic trust might make it easier to pass laws. The literature on norms in Congress is filled with accounts of stories of how trust among members helps get legislation passed (Loomis, 1988, 28; Matthews, 1960, 97-99; Uslaner, 1993, ch. 2). The connection between generalized trust and legislative success makes more sense if there is a moral foundation to faith in others.

Second, sometimes the normal democratic patterns of decision-making don’t work well. Perhaps there is no alternative that a majority prefers to all others or perhaps feelings can get so intense that simple majority rule threatens to tear the social fabric apart. Then, we might all be better off if we reach some compromise than if either of us tries to impose our will upon the other. This second assumption follows from the first. If we have nothing in common, then looking for common ground is fruitless.

People who trust others don’t see differences in values as a call to arms. They are tolerant of people unlike themselves. They see the potential for mutual gains by working together. Yes, you can cooperate with others without trusting them (Levi, 1999). But it is more difficult to do so. Each time you want to reach agreement on some collective action problem, you need to start from scratch to establish the ground rules for cooperation. Without generalized trust, you need to build strategic trust time and time again.
Generalized trust makes life easier by making assumptions about the world—that most people share your common values and that they will not try to exploit you. Clearly, only optimists will accept these postulates without evidence. And this, of course, is why trust depends upon an optimistic view of the world.

Making the inferential leap that most people can be trusted can have great payoffs. Trusting societies are more civil. It is easier to reach collective decisions when most people trust others. Government functions better in an atmosphere of trust. People are more willing to help those less fortunate when they have faith in strangers. And societies who trust people different from themselves are more willing to trade with them—and then to gain the benefits of commerce—higher economic growth and greater prosperity.

If trust brings so many benefits, why doesn’t everyone have faith in others? Mostly because trust isn’t easy. Often we are simply wary of others, especially if we live in collectivist societies that place high value on in-group identification. Trust is both higher and more critical in individualistic societies. Without strong bonds linking groups to one another, people must rely on each other. Trust looms large in American culture. We speak of settlers on the prairies helping roll each others’ logs (leading to logrolling, or vote trading, in legislatures). American heroes include Johnny Appleseed, the solitary woodsman who traverses the country doing good deeds, or the Lone Ranger and Tonto, who ride the range looking for people in trouble. Indeed, the American motto is a paean to both individualism and generalized trust: “One out of many.”

Trust and Culture

In many ways, trust is cultural. Individualistic societies are more trusting than collectivist ones. And that explains why trust is an enduring value. Trust does vary over time, but it is
rather stable across individuals (see Chapter 3) and especially across countries (see Chapter 8). The mean change in trust is only .028 over the course of a decade. Trust not only carries over from one generation to another (Renshon, 1975; and see Chapter 4), but also within ethnic groups moving from one nation to another (Rice and Feldman, 1997).

Yet, we should not make too much of stability. In nine of the WVS countries (41 percent), trust either rose or (in just one case) fell by five percent or more. And we know that many people—about one quarter of the 1972-76 ANES panel, slightly less than 30 percent of the Niemi-Jennings adult sample from 1965-82, and about 37 percent of the Niemi-Jennings youth sample from 1965-82—change their response to the trust question over time.

Critics of political culture mock the assumption that core values are enduring while social structures and economic performance are not (see Jackman and Miller, 1996). While many of their arguments are caricatures of the cultural thesis, the critics do make a key point: Cultural values are not static. They change in response to major patterns of turbulence in the society, such as the civil rights movement and the Vietnam War in the United States in the mid-1970s (see Chapter 5).

More generally, political culture is rooted in history. Yes, moralistic trust does not in general reflect your life’s experience. We can wave away unfortunate events, but at some point there is a reality check. Banfield’s (1958) Montegranans and Perlez’s (1998) Albanians face cruel worlds worthy of Hobbes’s worst nightmares. Trusting strangers in such an environment makes little sense. And so we see far less interpersonal trust in societies where daily life is filled with despair. Where things are good—and especially when we believe that they are going to get better even if they are not so great now—it is far less risky to trust strangers. An expanding pie
means that there will be enough to go around. But when you have little and there is no prospect that things will get better in the future, you will see people who are different from yourself as potential enemies. Just as it would be foolish to walk around trusting strangers in Montegrano, it would also be silly to turn your back on others in Oslo at every blip in the business cycle. Trust does not change dramatically with short-term economic trends. It shouldn’t because what will go down will come back up. Trust becomes irrational when there is no reason to believe that the downside won’t be followed by an upside.

What distinguishes Southern Italy and Albania from Scandinavia is not just riches, but how income is distributed. If everyone is poor, we’re all in the same boat together and there is no reason to believe that others have exploited you to get where they are (which is where you are). Inequality, on the other hand, gives you evidence that some people may well be out to get you—and hence that trust may not be a good risk.

As inequality grows, the perception that people have a common stake in society’s well-being withers. Fundamentalism, anti-immigration sentiment, and opposition to free trade all peak during periods of economic unease in the United States. Each is an assault on the tolerance and openness that lie at the foundation of generalized trust. On the other hand, in some countries there is clear evidence of both increasing trust and growing equality. Trust in Italy rose from 24 percent in the 1960 Civic Culture study (Almond and Verba, 1960) to 35 percent in 1990, while income inequality fell from .410 in 1974 to .322 in 1990 (Deininger and Squire, 1996). Trust rose even more strongly in Mexico, from 8.2 percent to 28 percent in 1996–while economic inequality moved downward, though not so sharply, from .550 to .503 (in 1992).

It makes no sense to argue that trust is exclusively a cultural value or only an instrumental
response to one’s environment. It is both. Trust doesn’t move quickly—providing plenty of evidence for the cultural thesis. But it is not etched in stone—and it does, at least collectively, respond to changes in the real world.

**Building Trust**

This doesn’t mean that it is easy to engineer trust. Democratic countries are more trusting, but you can’t go around redrawing constitutions (or even courts) and expect to create trust. Imagine a corrupt autocracy that wakes up and discovers civil liberties. Under the old regime the honest protestors went to prison and the thieves went free. Now, neither group gets hauled before the courts. Are we surprised that trust doesn’t rise?

It’s not easy to build trust by government policies either. According to one of the results in Chapter 8, you can reduce inequality by increasing transfer payments from the rich to the poor and by reducing inequality you can increase trust. But you can’t simply go in and order countries to increase transfers from the rich to the poor. Countries with low levels of trust are also less likely to redistribute income. Inequality breeds fear and resentment of out-groups. In brief, it gives rise to xenophobia, the opposite of moralistic trust.

It must be easier to build political coalitions for redistribution than it is change long-term political culture. Somewhere we must be able to break the cycle. And perhaps Italy, where much of the current concern for trust began (with Putnam’s classic 1993 study), may offer us at least part of the answer: It was a classic low-trusting society with a moderately high degree of economic inequality in 1960. Trust rose to a moderate level and economic inequality fell to the same level as Sweden by 1990. And Italy ranked just behind Hungary, Sweden, Belgium, and France in the rate of transfer payments.
The United States, on the other hand, saw trust fall from 58 percent in the Civic Culture study in 1960 to about the same level (36 percent) as Italy in 1996. Inequality rose to considerably above Italy’s level by the 1990 and went far higher by mid-decade. And the United States remains below the mean (even for countries with no legacy of Communist rule) of transfer payments. We know that government in the United States is far more contentious and perhaps less productive than it was four decades ago. Has the rise in trust in Italy led to “better government”?

The message to countries that are both poor and mistrustful is simple. If trust matters and can help a country grow richer and have better government, then it pays to be wary of policies designed to get rich quick. Making markets at any cost will exacerbate inequality. Such a strategy may lead to quick growth, but sustained growth depends upon open markets and a cooperative spirit. As Reich (1999, B4) has argued:

Vast inequalities of wealth and income can strain the social fabric of a nation. They make collective decisions more difficult...because citizens in sharply different economic positions are likely to be affected by these sorts of decisions in very different ways....Were inequality to grow too wide, we would risk an erosion of Americans’ sense of common purpose and identity....A polarized society is also less stable than one with a large and strong middle. Such a society offers fertile ground for demagogues eager to exploit the politics of resentment.

If you want to develop the cooperative spirit that will help overcome collective action problems, *don’t get rich, get equal.*
NOTES

1. The highest trusting societies in Chapter 7 are in Scandinavia. One might think that they are collectivist since they have strong welfare states. Yet, on both the Hofstede (1980) and Triandis (1989) indices of individualism-collectivism, they are close to the individualist pole (though Norway’s score on each is somewhat more moderate).

2. See Chapter 5 for a discussion of these television heroes.

3. This is the official motto of the United States, embossed on its currency in Latin, “E pluribus unum.”

4. The correlation between trust and the Hofstede measure of individualism is .617 (N = 36). For the Triandis measure, the correlation is .570 (N = 35). Both sets of correlations are for countries without legacies of communist rule.

5. The mean absolute change in trust is .048.

6. See Chapter 2, n. 10 and Chapter 4.

7. Other surveys show trust at lower levels earlier in the 1990s. See Chapter 1.