

Conclusion

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WHEN AND how trust affects actions of citizens and government officials depends on the assumptions that are made about motives, cognitions, and emotions. This volume represents a variety of perspectives on trust, ranging from trust that is rationally grounded to trust that springs from shared identity and emotional connectedness.

In the more rationalist approach, individuals are assumed to be rational, and trust is a form of encapsulated self-interest. For these theorists, trust is responsive to data, to beliefs about the trusted, and to likely outcomes from the trusting relationship. Its sources include familiarity, reliable information, generalizations based on experience with similar actors, on-going interactions, and confidence in the constraints provided by institutions. Russell Hardin, Margaret Levi, Martin Daunton, Susan Whiting, Kent Jennings, and William Bianco all emphasize trust as a phenomenon of this sort. Although these authors differ in the weightings they attach to various kinds of beliefs, norms, and knowledge, they share the view that citizens and government officials will trust each other when there are benefits to each in doing so.

Others in the volume—Simon Blackburn, Valerie Braithwaite, Geoffrey Brennan, Philip Pettit, Tom Tyler, Mark Peel, and John Braithwaite—define trusting and trustworthiness as desirable qualities that may enter into rational calculations but that acquire value outside self-interested discourse. Trusting and trustworthiness are virtues, moral standards, or gifts given and received. Giving, honoring, and betraying trust are linked not only with cognition but also with the emotions of pride, shame, guilt, and anger. Such emotions can disrupt rational calculations. They are not simply additive terms in a

subjective utility model; they are moderating factors, framing the selection of relevant information and affecting the form that the subjective utility model will take.

In spite of differing understandings of human motivation, the contributors agree that the effects of the act of trust are normatively ambiguous. Trust may be good when it leads to socially productive co-operation, but it can equally lead to exploitation of the trusting by the trusted, confirm a person's sense of inability to make good judgments, or produce support for unjust or morally retrograde rulers. We approve when government facilitates the social trust that enables residents to walk their neighborhoods without fear of attack from their neighbors. We tremble when trust among one group of neighbors leads them to act collectively but illiberally and violently against others who reside in their community.

For all the contributors, these two faces of trust pose an institutional design challenge: how to attain the social advantages of trust while avoiding its undesirable effects. The authors nonetheless diverge in their perceptions of the importance of trust to good governance.

Among the rationalists, Hardin is the most skeptical about how essential trust is to the maintenance and performance of government. He argues forcefully that trust is most likely among individuals who have considerable information about each other or about the effectiveness of institutional constraints, information that is unattainable about distant officials. Others offer a somewhat broader definition of the informational requirements of trust and argue that trust is crucial to good governance. It may ease coordination by citizens with each other and with government actors, reduce transaction costs, increase the probability of citizen compliance with government demands, and contribute to political support of the government. Whiting uses Hardin's notion of encapsulated self-interest to show how local Chinese officials can win the trust of private investors and bring economic prosperity to their region. Levi and Daunton develop dynamic models of trust; government builds trust by making credible commitments and showing good faith with the citizenry, and citizens reciprocate by demonstrating willingness to contribute to public goods and comply with law.

Maintaining trust requires work on the part of government officials, and failure to meet performance standards brings an erosion of trust, as Jennings illustrates with survey data tracking loss of confidence in the U.S. government over a thirty-year period. The process of building and retaining trust, however, may not be as labor intensive as the discussion so far implies. Scholz points out how individuals compensate for poor information with a trust heuristic, which fluctuates with the perception of the favorability of tax law, the per-

vasiveness of a sense of civic duty, and the estimate of the compliance of others. Bianco argues that citizens can reduce their calculation costs by relying on stereotypes of officials as those who share common interests with constituents and those who do not. A belief in common interest becomes the heuristic for trust.

In the second conception of trust, individuals are motivated to give and honor trust without deliberation over outcomes. Trust is socially valued as a symbol of social-emotional connectedness. The argument of these contributors is that trustworthiness is generated through the communication to the other that one is trusted. Trust is responsive to the attribution of trustworthiness. For Blackburn and Brennan, the relationship between trusting and trustworthiness is direct. For Pettit, it may be direct for those who are virtuous, or it can be mediated by the desire for esteem and glory, the desire to be thought trustworthy. Tyler posits a more complex explanation of this form of trust. A trust relationship between government and citizens creates a shared social identity that gives citizens both respect and pride in their group. The rewards gleaned through membership in the group lead citizens to defer to the authority of government, even when it acts in ways that are counter to the self-interest of individuals.

Trust of both kinds appears to exist and to have legitimacy among the citizenry. Jennings describes these basic types as performance and linkage trust and notes consistency of usage among American voters over a long period of time. Valerie Braithwaite identifies similar standards in Australia but defines them as exchange and communal trust norms, based on the enduring societal values of security and harmony. Both Jennings and Braithwaite produce data to show that different types of trust relationships exist between citizens and government in different contexts.

By and large, the papers in this volume suggest that rational and communal trust offer comparable benefits—that is, reduced transaction costs, the control of abuse of power, support for government, and compliance. Communal trust theorists, however, especially Tyler, John Braithwaite, Peel, and Valerie Braithwaite, argue for an additional benefit. Trust that entails social-emotional ties creates a collective identity, engages citizens in the community, facilitates cooperation, and engenders a willingness to forgo self-interest.

This particular benefit is a double-edged sword that communal theorists carry and rationalists avoid. Rational trust entails continuous collection and assessment of data to justify trusting. The risks of trust are a function of poor information collection, inappropriate generalization, or the transmission of misinformation. Communal trust involves a willingness to allow oneself to believe, regardless of the perfor-

mance information one has. Bearers of communal trust are particularly vulnerable to those who seek advantage through breaching trust.

What kinds of institutions can be set in place to protect against these vulnerabilities? Levi, Bianco, and Brennan see the institutions of democracy as vital to the enterprise of ensuring the trustworthiness of elected representatives. Making credible commitments by setting performance goals, facilitating transparency, and ensuring accountability to the citizenry have been shown effective by both Levi and Daunton. Whiting demonstrates how certain kinds of markets secured trust between Chinese government officials and private investors, in spite of a legal-political framework that might have concealed common interest.

But do the institutions that support rational trust also support communal trust, or can one undermine the other? Peel raises concerns about imposing performance standards and accountability mechanisms on a community that is suspicious of government. In this case, rational trust offered by the in-group to the out-group magnifies divisions between community and government. Tyler's work suggests that when groups see themselves as in-groups and out-groups, communal trust is likely to be in short supply, leaving rational trust as the most viable means of doing business.

How to turn a culture where rational trust dominates into one that fosters communal trust is the question that drives the empirical work reported by John Braithwaite. He advocates trusting as a moral imperative, fully recognizing the implications for risk that this course of action brings. His response is an elaborate institutional infrastructure to come down hard on those who take advantage of the gift of trust they have been offered. His regulatory pyramid and circles of guardianship are designed not only to detect abuse of trust but also to punish, with sanctions escalating in severity for those who act with persistent disregard for cooperation in the trust game.

Similarly, Pettit and Brennan rely on heavy institutional artillery to reinforce the value of trustworthiness in the community. Communal trust relies on the normative properties trust has acquired through the socialization process. As such, it may be a fragile commodity. Thus, Pettit argues for institutionalized impersonal trust in society, where vigilance and performance requirements are knit into the fabric of daily life. Against this fabric, an individual can distinguish herself by being singled out as a trustworthy person and, in turn, behaving in a trustworthy fashion. Brennan presents a case for rewarding trustworthiness. Those who have demonstrated their trustworthiness should be recognized by being elevated to positions of trust in society. He also raises the concern that trusting and trustworthiness will lose

their currency as symbols of virtue if institutions are too directive in channeling performance in certain directions. Institutions that virtually guarantee performance may constrain choice in such a way as to deny individuals the discretion to be virtuous or not. Without practice and recognition, virtue falters.

To ensure that rational and communal trust do not undermine each other, some contributors such as Blackburn, Brennan, Pettit, and John Braithwaite have favored institutional designs that bring each into play at a different level of social functioning. Trust as gift giving dominates in personal contexts and first encounters, while rational trust operates in impersonal contexts or when the gift of trust is abused. Institutional designs that accommodate communal and rational trust at different levels offer opportunities for achieving three seemingly conflicting objectives: (1) a strengthening of an individual's motivation for trustworthiness, (2) elevation of trustworthiness as a virtue above self-interest, and (3) an overarching regulating infrastructure that identifies and contains risk when trust falters.

The relationship between rational and communal trust is addressed by a number of contributors but is far from resolved. To many of the more rationalist theorists, such a relationship is beside the point. Both Hardin and Levi argue that trustworthiness is a virtue, yet they see no benefit—and much danger—from encouraging trust as a virtue. Fairness, respect, and acceptance of norms are important in the models of Scholz and Levi, but they play informational and institutional roles rather than normative ones. On the other hand, Tyler regards communal trust as more fundamental to stable government than rational trust. John Braithwaite also gives priority to the role of communal trust but regards different kinds of trust as mutually constituting. Valerie Braithwaite shows that where rational trust is strong so is communal trust; she argues that each can serve as a corrective for the weaknesses of the other. Jennings suggests that the two kinds of trust operate at different levels of government.

In spite of the considerable differences among the authors and in spite of the many puzzles and issues still unresolved, this volume has achieved its purposes. It creates the basis for an intellectual exchange and shared agenda among scholars of various disciplines, and it lays the groundwork for a more systematic investigation, both logical and empirical, of the relationship between trust and governance. By making explicit the differences among good scholars looking at similar evidence, we hope we have revealed new insights and arguments concerning the institutionalization of both rational and communal trust and the role both play in good governance.