

## Trust Me, Said the Spider



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### Summary

Social scientists tell us that Americans in general are short on trust these days...we don't trust our neighbors, whether they look like us or not. Is this decline in generalized social trust, assuming it has occurred, an outgrowth of America's increased diversity, as some have suggested, or is it instead attributable to other aspects of our contemporary civic experience?

If we have indeed lost this generalized trust – that is, the belief that other people in our neighborhoods and communities are generally trustworthy – what are the civic consequences? Is this interpersonal trust the *kind* of trust that America requires at this particular juncture? Or is the sort of trust we require different from that needed in “simpler,” less technologically saturated times?

If – as I argue – restoring trust in government is the first step to restoration of generalized social trust, how do we take that first step?

### The diversity argument

Americans are not in a trusting mood. We don't trust our government – in a recent Pew survey<sup>1</sup>, just 22 percent of respondents said they trust the federal government most of the time, among the lowest measures in half a century – and if we are to believe social scientists, we don't trust each other, either.

I recently examined the scholarship on social trust and its implications for a book I published on those issues.<sup>2</sup> I began with Robert Putnam's “E Pluribus Unum: Diversity and Community in the Twenty-First Century” (2007), in which his results from a large-scale study found that social trust declined as ethnic diversity increased. In a memorable phrase, Putnam said that in the short term, increased diversity brings out the “turtle” in us, causes individuals to “hunker down” in their shells and withdraw from many kinds of social interaction. Opponents of immigration have seized upon his article as evidence that a continued influx of “others” will corrode the social fabric and doom the civic enterprise.

Cognitive sociologists tell us that people are most uncomfortable when they are forced to question the “taken for granted” nature of their worldviews. If that is true – and a lot of research suggests that it is – discomfort with increased diversity, at least certain *kinds* of diversity, makes perfect sense. What I looked at in *Distrust* were the questions Putnam failed to address: (1) whether this decline in generalized social trust, assuming it has occurred, is an outgrowth of America's increased diversity, or is instead attributable to other aspects

<sup>1</sup>*Distrust, Discontent, Anger and Partisan Rancor: The People and Their Government*. Released April 18, 2010.

<sup>2</sup>*Distrust, American Style: Diversity and the Crisis of Public Confidence* (Prometheus Books) 2009.

of our contemporary civic experience; and (2) whether the *kind* of social trust America requires at this particular juncture differs from that needed in “simpler” times.

### **Social Capital: The role of trust and reciprocity**

Social trust – the belief that other people in your neighborhood and community are generally trustworthy – is essential to “social capital,” the name we give to our memberships in social networks, to the variety of human relationships within which we are embedded. As one scholar of the concept puts it, “To have social capital, a person must be related to others, and it is those others, not himself, who are the actual sources of his or her advantage” (Portes 1998, p. 7). Although trust is an important component of social capital, *reciprocity* is also an essential element. Indeed, collaboration and collective action are at the heart of the concept of social capital. As Carles Boix and Daniel Posner have written, “social capital is, at its core, a set of institutionalized expectations that other social actors will reciprocate cooperative overtures” (1998). If we fail to work together when such collective efforts are necessary, we all emerge the poorer. Without trust that our participation will be reciprocated, we are less willing to enter into communal enterprises. Even government, with its monopoly on the legitimate use of coercive power, cannot effectively implement programs in the absence of social capital and voluntary compliance.

Trust and reciprocity are both considered key elements of social capital, but there is a lively debate about which is more important to overall social health. Marc Hooghe, a Belgian scholar, has argued that Putnam and others place too much emphasis on trust, and not enough on reciprocity. As Hooghe notes, reciprocal relationships can encourage co-operative ventures, which in turn can generate an ongoing relationship founded upon a “process-based” form of trust. He also notes that reciprocity enjoys something of a competitive advantage over trust, since it can operate in conditions of uncertainty and diversity (2002).

Hooghe is also one of many scholars who point out that there are different kinds of trust, and they are not equally important to social capital. Interpersonal trust depends on knowing the character

and previous behavior of a friend or colleague, while “generalized trust” (what he calls “depersonalized trust”), as several scholars point out, depends heavily on resemblance and homogeneity (see, e.g., Luhmann 1988, p. 95).

Hooghe and others argue that depersonalized trust, i.e., trust of someone with whom we don’t have any history or prior relationship, is possible *only* with what scholars call “bonding” social capital,<sup>3</sup> because it is inextricably based upon a common identity. If that is the case, and if that sort of trust is essential to social capital, then social capital is doomed, because increasing diversity is an absolutely inevitable feature of modernity (Hooghe 2002, p. 11).

### **The changing nature of social trust**

In simpler societies, we depended upon reputation to decide who was trustworthy. As *New York Times* columnist John Tierney has noted (2007), gossip used to be valuable because it gave people information about who they could trust – and who they couldn’t. The prospect of a bad reputation – that would become the source of gossip and disdain – often was sufficient to discourage untrustworthy behaviors.

In more complicated societies, however, trust also becomes more complicated. In a column about the crisis precipitated by sub-prime mortgage foreclosures, Paul Krugman noted:

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<sup>3</sup>Social capital can be a two-edged sword. There is a difference between *bonding* social capital and what is known as *bridging* social capital. Bonding social capital encourages in-group solidarity. When we think of the bonds forged in kinship groups, church “families,” fraternal organizations and the like, we see the positive side of bonding social capital; its negative aspects are apparent in groups like the Black Panthers and the Ku Klux Klan. Bonding capital tends to reinforce exclusive identities and homogeneity, to solidify the conviction that there is a “we” that is distinct and apart from “them,” while bridging social capital promotes ties across group barriers. Bridging social capital refers to the sorts of relationships forged in service clubs, political organizations, and other venues where we come together with a more diverse group of our fellow-citizens in order to accomplish a particular task, or support a particular institution or cause. To borrow the language of political philosophy, we might say that bonding social capital is characterized by “thick” connections, and bridging capital by “thin” ones.

“You don’t know anything about the cows that contributed body parts to your package of ground beef, so you have to trust the supermarket when it assures you that the beef is U.S.D.A. prime. You don’t know anything about the subprime mortgage loans that were sliced, diced and pureed to produce that mortgage-backed security, so you have to trust the seller...” (2007).

In contemporary Western societies, this trust in the integrity of business enterprises and the government agencies that regulate them is critical to social and economic functioning.

In *Systems of Survival* (1994), the redoubtable Jane Jacobs considered this issue, using as her organizing conceit a fictitious character named Armbruster, who convenes a group of friends to help him sort out the reasons for his concern over dishonesty in the workplace. As Armbruster explains,

“My worry dates from a euphoric moment in Hanover. I’d accepted a brief consulting engagement there.... I took my fee to a local bank for transfer to my bank here. Commonplace sort of transaction, but this was one of those occasions when the commonplace suddenly seemed extraordinary. It hit me that I’d handed over my fee to a total stranger in a bank I knew nothing about in a city where I knew almost nobody...in exchange for nothing but a flimsy paper with a scribble in a language I didn’t understand. What I had going for me, I reflected, unworried, as I dashed to catch my train for Zurich, was a great web of trust in the honesty of business” (p. 5).

Most of us operate on precisely the same assumptions that Armbruster has made explicit: We deposit our paychecks and take for granted that the funds will appear on our next bank statement. We make a deposit with the electrical utility without worrying whether the service will, in fact, be forthcoming. We mail checks to payees on the assumption that the envelopes will reach their destination, intact and unopened (if not always on time). We call the fire department and expect their prompt response. Even when engaging in Internet transactions with merchants with whom we have had no prior contact, we increasingly rely on

representations of third-party facilitators that their sites are secure and their merchandise will be shipped. That kind of trust not only allows necessary social mechanisms to function, it makes our lives immeasurably more convenient and comfortable.

In urban communities and complex societies, we will never know most of our neighbors, even by sight. The informal mechanisms people employed in simpler social settings – reputation, gossip, identity – can no longer give us the guidance we need. We have no alternative but to put our trust in the complex web of *institutions* we have created – police, government regulatory agencies, Better Business Bureaus, watchdog industry groups, and the like – to maintain the trustworthiness of our economic and social systems.

Rather than composing odes to a bygone day or bemoaning the loss of interpersonal trust of the sort experienced in smaller communities where “everybody knows your name” (like Sam’s bar in *Cheers*), the way we compensate for urban complexity and accommodate the realities of modern city life is through the creation of *trustworthy institutions*. But as valuable as trustworthy social institutions are, and as critical to the operation of modern life, they are different *in kind* from the trust repositories of simpler times, and they require different strategies to ensure that they remain trustworthy. Gossip and reputation will not alert most investors to the machinations of an Enron or Goldman Sachs.

## The role of government

Restoring trust in government is the first step to restoration of generalized social trust, because we rely on government to insure the trustworthiness of other social institutions. (For example, although I’m pretty libertarian, I do not want so much “freedom” that I personally have to test the chicken I buy at the grocery for *E. coli*. I prefer to trust the FDA.) Americans today rely on government agencies to ensure that our water is drinkable, our aircraft flyable, our roads passable, and much more.

It would be difficult to overstate the importance of being able to trust government agencies to discharge these and similar functions properly. When America goes through a period when government

is inept or corrupt, as we occasionally do, that confidence is shaken – but our skepticism and distrust affect more than just the political system. Trust in government sets the tone for confidence in *all* social institutions.

Unfortunately, those other institutions have also contributed to the national cynicism. And thanks to vastly expanded communications technologies, 24-hour “news holes,” Internet weblogs and the like, it is the rare American who is not bombarded daily with news of corporate or government malfeasance, the sexual escapades of “pro-family” legislators and errant pastors, the identity of the latest sports figure to fail a drug test or cheat on his wife, and more. Those technologies also provide platforms and megaphones for some of the least civil denizens of the “chattering classes,” pontificators who routinely inform us of the thoroughly rotten and untrustworthy behaviors of our governing institutions, our neighbors, and our churches.

From time to time, America goes through periods where the failures of our civic and governing institutions are so manifest that awareness of them is simply inescapable. In the era of the Internet, the amount of information received by even the most “low-information” members of the public has been enormously amplified. When I wrote *Distrust*, the American public was positively marinating in news of corruption and incompetence.

If my thesis is correct, if the nature of the trust America requires is trust in our governing *institutions*, the first order of business must be the restoration of transparency, accountability, and *trustworthiness* to government.

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