

Sztompka, Piotr

Working Paper

Trust, distrust and the paradox of democracy

WZB Discussion Paper, No. P 97-003

Provided in Cooperation with:

WZB Berlin Social Science Center

Suggested Citation: Sztompka, Piotr (1997) : Trust, distrust and the paradox of democracy, WZB Discussion Paper, No. P 97-003, Wissenschaftszentrum Berlin für Sozialforschung (WZB), Berlin

This Version is available at:

<https://hdl.handle.net/10419/50255>

Standard-Nutzungsbedingungen:

Die Dokumente auf EconStor dürfen zu eigenen wissenschaftlichen Zwecken und zum Privatgebrauch gespeichert und kopiert werden.

Sie dürfen die Dokumente nicht für öffentliche oder kommerzielle Zwecke vervielfältigen, öffentlich ausstellen, öffentlich zugänglich machen, vertreiben oder anderweitig nutzen.

Sofern die Verfasser die Dokumente unter Open-Content-Lizenzen (insbesondere CC-Lizenzen) zur Verfügung gestellt haben sollten, gelten abweichend von diesen Nutzungsbedingungen die in der dort genannten Lizenz gewährten Nutzungsrechte.

Terms of use:

Documents in EconStor may be saved and copied for your personal and scholarly purposes.

You are not to copy documents for public or commercial purposes, to exhibit the documents publicly, to make them publicly available on the internet, or to distribute or otherwise use the documents in public.

If the documents have been made available under an Open Content Licence (especially Creative Commons Licences), you may exercise further usage rights as specified in the indicated licence.

P 97 - 003

**TRUST, DISTRUST AND THE PARADOX
OF DEMOCRACY**

PIOTR SZTOMPKA

Wissenschaftszentrum Berlin für Sozialforschung gGmbH (WZB)
Reichpietschufer 50, D-10785 Berlin

Abstract

According to the three-dimensional theory of trust which the author develops in his recent work, the measure of trust that people vest on their fellow citizens or institutions depends on three factors: the "reflected trustworthiness" as estimated by themselves in more or less rational manner, the attitude of "basic trustfulness" deriving from socialization, and the "culture of trust" pervading their society and normatively constraining for each member. The culture of trust is shaped by historical experiences of a society - the tradition of trust, and by the current structural context -the trust-inspiring milieu. The author presents a model of a structural context conducive for the emergence of the culture of trust, and then argues that the democratic organization contributes to the trust-generating conditions, like normative certainty, transparency, stability, accountability etc. The mechanism of this influence is found to be doubly paradoxical. First, democracy breeds the culture of trust by institutionalizing distrust, at many levels of democratic organization. And second, the strongest influence of democracy on the culture of trust may be expected when the institutionalized distrust remains only the potential insurance of trustworthiness, a resource used sparingly and only when there appear significant breaches of trust. Of all three components in the three-dimensional model of trust, the cultural dimension is most susceptible to practical, political measures. And the most promising method to elicit the culture of trust is designing democratic institutions and safeguarding their viable functioning.

Contents

| | |
|---|----|
| Introduction..... | 5 |
| I The cultures of trust and distrust..... | 6 |
| II The social contexts and genealogies of trust and distrust..... | 9 |
| III The paradox of democracy: institutionalising distrust for the sake of trust..... | 14 |
| IV The normative model versus the functioning of democracy..... | 18 |
| V Creating the culture of trust..... | 22 |
| Bibliography..... | 24 |

Introduction

All human actions are oriented toward the future. The future is in many respects uncertain and hence, risky (Luhmann 1979, Luhmann 1994). The uncertainty is due, in the large measure, to contingent actions of others: persons, collectivities, institutions. We can never be entirely sure how the partners in our interactions and social relationships will react to our deeds. And the success or failure of anything we do obviously hinges on their reactions. In spite of such humanly created uncertainty we have to act - in order to satisfy our needs, and to realize our goals. Thus we are made to gamble, to make bets on the future contingent actions of others. In such bets we deploy trust (Sztompka 1996).

People are rational, thus most often they make bets on the basis of calculations. Actions that involve the investment of trust toward others are based on some estimate of their trustworthiness; on "reflected trustworthiness" of the targets. For example we consider their reputation, performance, appearance etc. The dominant theme in the contemporary theory of trust is the unravelling of complex logic involved in such rational estimates (Coleman 1990, Hardin 1993).

But the measure of trust we are willing to deploy, the amount of risk we are ready to take - are not exclusively dependent on the qualities of the target, or partner of our actions, the estimated trustworthiness of the trusted. They also depend on our own predilections to trust, on the trustfulness of the truster. The pool of trust people command, as well as the propensity to spend it are variable. The multi-dimensional theory of trust must move beyond the rational dimension, and take those other aspects into due account.

Part of the explanation of trustfulness may be found in the personality of the truster. Trustfulness may be treated as a psychological trait - "the basic trust", or trusting impulse, usually credited to the caring family climate during early socialization (Wilson 1993, Giddens 1991), and also to later personal history of rewarding experiences in the relationships with others. The basic trust is a sort of personal capital we accumulate, if we are lucky, during our life-course. Trustfulness of this psychological type is obviously a modifying factor in the

calculations of trustworthiness. In the extreme case it may even preempt any rational estimates, provoking excessively generous attitude toward other people or institutions; the blind or naive trust.

But trustfulness may be considered as something more than individual attitude, namely as a typical orientation, shared by a number of individuals, socially objectified, and hence exerting some pressure or constraint on each individual actor. In this sense trustfulness becomes a trait of human collectivities, pooled cultural capital from which individuals can draw in their actions. It is no longer a psychological, individual fact, it is rather a cultural, "social fact" (Durkheim 1895). Trustfulness of this cultural type is another modifying factor in the calculations of trustworthiness. And in the extreme case it may also preempt any rational estimates, making people to follow cultural demand for granting trust, even if it is unwarranted.

This is especially true when the targets of trust are of an abstract, rather than concrete type: firms, teams, institutions, organizations, markets, nations, regimes. "I trust IBM", "I trust the French people", "I trust democracy". The trustworthiness of such abstract objects may be very hard or even impossible to estimate for common actors who lack requisite information or evaluative competence. In such cases the generalized, cultural orientations become of paramount importance.

Thus the comprehensive model of trust must be at least three-dimensional, comprising "reflected trustworthiness", "basic trustfulness" and culturally generated trust.

I The cultures of trust and distrust

In this article I will focus on trustfulness as a cultural trait, bracketing the considerations of trustworthiness, and basic trust, obviously important for the full picture of social relationships involving trust. When trustfulness as a cultural orientation is found to be pervasive in a society, I propose to speak of the culture of trust. This concept describes a condition when, apart from any rational calculations of trustworthiness, or individual psychological predilections, people

not only tend to, but are culturally encouraged to express trustful orientation toward their society, its regime, organizations and institutions, fellow citizens, as well as their own life-chances and biographical perspectives. The culture of trust is a sort of social resource, or capital we use in making bets on the contingent actions of others. The larger the pool of trust, the more bets and the higher bids we are ready to make, and the larger risks we are willing to accept.

The culture of trust allows of degrees, depending on the strength of positive expectations. People may merely expect instrumental efficiency (competence, rationality, effectiveness), eg. they trust that the government will stimulate economic growth, or suppress crime. But they may also expect high moral standards, e.g. they trust that the government will safeguard justice, fairness, equality of opportunities. The strongest expectations refer to altruistic disinterestedness, or fiduciary care (Barber 1983). For example people may trust the government to represent their interests, to provide help, medical services, jobs, social security, welfare provisions etc. Obviously, the stronger the expectation and the deeper commitment, the more risky the bet of trust and more chances of disappointment.

But this is the price for highly beneficial consequences that the culture of trust usually has for social life. Francis Fukuyama makes a bold claim that "a nation's well-being, as well as its ability to compete, is conditioned by a single, pervasive cultural characteristic: the level of trust inherent in a society" (Fukuyama 1995: 7). To be more specific, we may list a number of functions that the culture of trust usually performs.

First of all the culture of trust liberates and mobilizes human agency: releases creative, uninhibited, innovative, entrepreneurial activism. "When there is trust there are increased possibilities for experience and action" (Luhmann 1979: 8). This works on both sides of the relationship, once it is pervaded with trust. Giving trust, endowing others with trust, evokes positive actions toward them. Interactions with those whom we endow with trust, are liberated from anxiety, suspicion, watchfulness, they are initiated more easily and allow for more spontaneity and openness. We are released from the necessity to monitor and control every move of others, we do not need constantly to "look at their hands". But trust has positive consequences not only for its givers, but for the recipients as

well. "It is important to trust, but it may be equally important to be trusted" (Gambetta 1988: 221). Being endowed with trust provides a temporary suspension of normal social constraints: organizations and institutions which obtain a "credit of trust" are temporarily released from immediate social monitoring and social control. This leaves wide margin for non-conformity, innovation, originality, or to put it brief - for more freedom of action.

Second, the culture of trust encourages sociability, participation with others in various forms of associations, and in this way enriches the network of interpersonal ties, enlarges the field of interactions and allows for greater intimacy of interpersonal contacts. In other words it increases what E. Durkheim called the "moral density" (Cladis 1992: 196), and modern authors describe as "social capital" (Putnam 1995), "spontaneous sociability" (Fukuyama 1995), or "civic engagement": "Belief in the benignity of one's fellow citizens is directly related to ones propensity to join with others in political activity" (Almond and Verba 1963: 228).

Third, the culture of trust encourages tolerance, acceptance of strangers, recognition of cultural or political differences as legitimate - because it allows to perceive them in a non-threatening manner. Trust bridles expressions of hostility, conflict, civilizes disputes (Parry 1976: 129).

Fourth, the culture of trust strengthens the bond of an individual with the community (the family, the nation, the church etc.), contributes to the feelings of identity, and generates strong collective solidarities leading to cooperation, reciprocal help and even the readiness of sacrifice on behalf of others.

Fifth, when the culture of trust is present the transaction costs are significantly lowered and the chances for cooperation increased. "I do not need to monitor those whom I can trust, nor do I have to buy what I trust they will offer me voluntarily (...), nor do I have to force them to do what I expect them to do or to call in third parties (such as courts) to enforce my claims" (Offe 1996: 10). Trust saves considerable amount of social energies, that otherwise would be spent on enforcing claims and obligations.

To perceive those beneficial effects even more clearly, it is good to contrast them with the consequences of distrust. The pervasive, generalized climate of suspicion characteristic for the "culture of distrust", or the "culture of cynicism" (Stivers 1994) hampers the functioning of society in several ways. First, it paralyses human agency inducing routinized, conformist, adaptive conduct, or even outright passivism. Second, it erodes social capital, leading to isolation, atomization, breakdown of associations and decay of interpersonal networks. Third, it mobilizes defensive attitudes, hostile stereotypes, rumours and prejudices, as well as downright xenophobia. Fourth, it alienates and uproots an individual, inciting the search for alternative, often illicit identities (in the gangs, mafia, deviant subcultures etc.). Fifth, through a sort of halo-effect the diffuse culture of distrust is apt to expand toward interpersonal dealings as well as relations with outsiders. In both cases the transaction costs due to the necessity of constant vigilance are significantly raised and the chances of cooperation hindered.

II The social contexts and genealogies of trust and distrust

Both historical and contemporary evidence indicates that some societies develop robust cultures of trust, whereas others are pervaded with endemic distrust. There are also some societies which turn from the culture of trust toward the malaise of diffuse, generalized distrust (e.g. the US in the last three decades, see: Putnam 1995, Putnam 1996, Bok 1979, Stivers 1994), and there are others which slowly leave behind the pervasive culture of distrust, acquiring growing measures of diffuse, generalized trust (e.g. post-communist societies of East-Central Europe, see: Rose 1994, Sztompka 1996). The search for causal factors explaining those phenomena must proceed in two directions: contextual (structural) and genetic (historical). The earlier, in abstraction from time, requires the specification of wider social context conducive to the culture of trust, or conversely the culture of distrust. The latter, recognizing the temporal dimension, requires the specification of typical historical sequences leading to the emergence or collapse of trust, and establishing lasting traditions of trust (or distrust).

Let us examine the structural determinants first. The hypothetical model I propose includes seven contextual conditions which are presumed to engender the generalized, diffuse trust, with their opposites expected to produce the culture of distrust. The first condition is *normative certainty* and its opposite - normative chaos, or anomie. If the system of social rules prescribing the goals and means of human action - whatever their content - is well articulated, unambiguous, consistent and accepted, it produces the feeling of orderliness, predictability, regularity, existential security and consequently satisfies the instrumental expectations of the diffuse, generalized trust. If the content of the rules - legal, moral, customary - safeguards justice, fairness, equality, social security, protection, civil rights etc. - then it also meets the more demanding, axiological and fiduciary expectations, and significantly enhances the culture of trust. It is easy to imagine how the reverse conditions operate. The chaotic, ambiguous, inconsistent, weakly legitimated patchwork of rules, leaves the people without guidance, makes their conduct haphazard and unpredictable, creates the climate of anarchy and insecurity. The expectations of instrumental efficiency are not met, and the culture of distrust is apt to emerge. Then it spreads even more if the rules, such as they are, do not reflect moral or fiduciary considerations.

The second condition is the *transparency of social organization*, and its opposite - opaqueness and secrecy. Familiarity breeds trust. This observation from the field of interpersonal relations applies equally to the sphere of institutions. If their architecture, *raison d'être*, principles of operation, competencies, actual functioning are highly visible - openly reported, accessible to inspection, easy to understand - they engender the culture of trust. On the other hand, if their structure and operation are vague, hard to comprehend, hidden from view, surrounded by the veil of secrecy - the diffuse, generalized distrust will be a natural response. For example, it has often been observed that the simplicity of the tax system is crucially important for generalized trust (Przeworski et al. 1995: 88).

The third condition is the *stability of the social order*, and its opposite - fluidity and transience. If the social organization, the structure of institutions, civilizational and technical environment of everyday life is persistent and stable, and in the case of changes, they proceed only in a gradual, regular fashion, in a predictable direction - the culture of trust is likely to appear. On the other hand, in the situation of rapid and radical social change, occurring suddenly and seemingly

at random, without perceivable logic and direction - the existential security is lost, and pervasive, generalized distrust is apt to spread. The corroboration of this tendency may be found in the history of all revolutions, and particularly their immediate aftermath, usually accompanied by deep breakdowns of trust.

The fourth condition is the *accountability of power*, and its opposite - arbitrariness and irresponsibility. If the institutions wielding power - whatever the content of their binding decisions - are limited in the competences and open to scrutiny and control of other institutions or organizations, the danger of abuse is diminished, and the regularity of procedures safeguarded. As a result those who are subjected to rule, experience more security, with the culture of trust becoming a natural outcome. Even more so, if the content of binding decisions is perceived to take into account the moral or fiduciary considerations, representing the interests of the ruled. On the other hand, if power is entirely arbitrary, unconstrained, unlimited, whimsical and irresponsible - those subjected to rule are at its mercy, experiencing profound unpredictability and insecurity of their fate. The culture of distrust is a natural response. This is even more grave if the content of binding decisions is seen as purely egoistic and immoral, guarding the interests of the ruling elite, and ignoring the public good.

The fifth condition is the *enactment of rights and obligations*, and its opposite - helplessness. If there exist dependable institutions arbitrating the rules of the social game, to which people can resort when their rights are not recognized, or the obligations of others toward them not respected, then they have a kind of insurance, backup option and therefore feel safe and secure. The culture of trust is likely to emerge. The effect is even stronger when those arbitrating institutions are perceived to follow the high moral or fiduciary standards, defending justice, giving fair, unbiased verdicts and taking into account my founded claims and interests. Conversely, if the only guarantee of my rights rests in my own hands - because dependable arbiters do not exist, or are inaccessible, or are notoriously partial and unfair - I feel helpless. Such an experience engenders the diffuse, generalized distrust.

The sixth condition is the *enforcement of duties and responsibilities*, and its opposite - permissiveness. If the people know that the governmental or administrative agencies are able and ready to sanction the violations of binding

rules, they feel protected and secure, and the level of diffuse and generalized trust is raised accordingly. "The threat of sanctions to protect each makes all better off" (Hardin 1996: 32). Notice that even those who violate the rules usually accept their validity and would generally prefer that they were obeyed and enforced (Merton 1996: 135). It is rare that a deviant act is accompanied by a principled renunciation of enforcement. The thief would cry for police protection if something was stolen from him. The speeding driver would rather see other drivers paying the tickets and obeying speed limits, for the sake of his own safety. The tax evader would recognize the need for tax collection for public services, as soon as it were the others who pay. Even stronger effect of enforcement on the culture of trust is to be expected when the enforcing institutions are not merely efficient but operate according to some moral standards: e.g. apply universalistic criteria. On the other hand when enforcement agencies operate in a lax and permissive manner, or act in a biased, particularistic fashion, i.e. when violations go unpunished, deviance is tolerated, or even worse - when some villains are punished while others are excused - the people feel threatened and the culture of distrust is bound to spread.

The seventh condition is of a different order than the other six. It does not relate to the structural context, but rather to the style of operation of governmental or administrative institutions, the style of policy (Przeworski et al. 1995: 76). The crucial factor is the recognition and *safeguarding of dignity, integrity and autonomy* of each societal member. If the institutions treat me as a subject rather than an object, protect me as a person, accept my individuality, specific preferences and idiosyncracies, prevent me from manipulation, reification, abuse - then I feel secure and trustful. One special case of such an orientation is giving the citizens the credit of trust, and abstaining from permanent scrutiny, invigilation, control as long as there are no credible reasons for suspicion. Trust breeds trust; trust received is usually reciprocated. On the other hand, when I am treated as an object, when my personal dignity and uniqueness is violated, when I meet with discrimination, intolerance, neglect - then the diffuse, generalized distrust is easily born. The special case of this condition is denying the citizens any credit of trust and approaching them indiscriminately as potential violators of rules, with permanent checks and controls, demands of certificates and alibis, harsh penalties for minor infractions. Distrust breeds distrust; hence the culture of distrust will certainly arise.

So much of structural (contextual) explanation. When we add the temporal dimension and focus on the accumulated historical sequences leading to pervasive trust or distrust, the model becomes much more complicated. It may be hypothetically assumed that the unbroken, continuous presence of contextual, structural conditions evoking trust, will result in the more embedded tradition of trust. Similarly, prolonged absence of trust-generating context will lead to the embedded tradition of distrust. Both kinds of traditions possess of certain inertia; they seem able to outlive the conditions which originally produced them, to persist in spite of the structural, contextual change. "The present ethos will tend to perpetuate itself for a long time, even though many of the circumstances which gave rise to it no longer exist or no longer operate in the old way" (Banfield 1967: 160). A typical case of the persistent tradition of trust surviving the vicissitudes of modernization, and even post-industrialism, may be found in Japan (Hechter and Kanazawa 1993, Fukuyama 1995). An opposite case of the persistent tradition of distrust, surviving in spite of fundamental democratic transformations and promising economic developments, is to be found in post-communist societies of East-Central Europe (Rose 1994, Sztompka 1996).

It seems, though the reasons for that are far from clear, that there exists certain asymmetry between the traditions of trust and distrust: it usually requires much more time to accumulate trust than to destroy it (Bellah et al. 1992: 3), whereas for distrust it works the other way round - it is usually much quicker that distrust is born (and perhaps the quickest when formerly granted trust is abused or breached), while to get rid of distrust requires a long time, sometimes measured in generations. Accordingly, any existing measure of trust is path-dependent; its meaning, strength, durability, the direction of future evolution depend to a large extent on the origins - whether it is a simple continuation of earlier trend (of trust or distrust), or the breakdown of pre-existing trust, or coming over the pre-existing distrust.

III The paradox of democracy: institutionalizing distrust for the sake of trust

There are many factors which may produce conducive structural context for trust, as described earlier. Among those, I wish to focus on the constitution of the political system, arguing that the democratic order has significant trust-generating force. All other things being equal, the culture of trust is more likely to appear in democracy, than in any other type of political system. Let us trace the mechanism through which this effect is produced.

This is a paradoxical mechanism. Namely, the culture of trust is due precisely to the institutionalization of distrust in the architecture of democracy. Most of the principles constitutive of democratic order, assume institutionalization of distrust, which provides a kind of backup or insurance for those who would be ready to risk trust. It is a disincentive for the contemplated breaches of trust, as well as the corrective of the actual breaches of trust, if and when they occur. As a result, the spontaneous, generalized, diffuse culture of trust is more likely to emerge. To put it brief, *the more of institutionalized distrust, the more of spontaneous trust*. I refer to this as the paradox of democracy.

There are at least twelve constitutive principles of democracy which imply some form of distrust. The first is the principle of *legitimacy*. Democracy requires justification of all rule which per se is seen as suspect (Holmes 1993: 24). It is only when the authority is shown to emanate from the popular will, through elections, and when the elected representatives realize the interests of the people - that the government is recognized as legitimate. "The government of the people, by the people and for the people" - to use Lincoln's phrase. Only in such conditions the a prior distrust of all power can be suspended. And even here there are still institutions of civil disobedience or revocation of representatives, which assume the possibility of the breach of trust, and provide corrective mechanism for such contingencies. This is the first point, where "vertical control" of authority from below is explicitly institutionalized.

The second is the principle of *periodical elections and terms of office*. This shows distrust in the willingness of the rulers to surrender their power voluntarily and to subject their performance to periodical scrutiny. It is assumed that they will bend

to the temptation of permanent rule, and this tendency is institutionally prevented by the mechanism of the turnover of power. It is also the existence of the opposition contesting for power, that guarantees the critical monitoring of those who actually command power. This is another point, where we find the vertical control from below built into the democratic system.

The third is the principle of *majority and collective decisions*. It implies the distrust in the objectivity and integrity of the single individual, whose beliefs tend to be biased, limited in perspective, influenced by particularistic interests. Arriving at decisions through collective deliberations and majority vote safeguards the mutual correction of biases and elimination of idiosyncratic excesses. This may be seen as the first instance of mutual "horizontal control" of citizens by other citizens.

The fourth is the principle of *division of powers, checks and balances, and limited competence of institutions*. This clearly implies the suspicion that institutions will tend to expand, monopolize decisions, abuse their powers. Therefore as Madison was putting it in a famous adage: "Ambition must be countered with ambition". The mechanism of "horizontal control" is explicitly constructed and sanctioned; this time among different institutions, branches of government etc.

The fifth is the principle of the *rule of law and independent courts*. This implies the distrust in the spontaneous good will of the citizens and institutions alike. To prevent arbitrariness, abuses, deviant acts, both must be subjected to the common, universally binding framework of law. Law is situated above the individuals and institutions, including governmental agencies. They are all equally bound by law, and equally responsible before the law. Various safeguards of the autonomy of courts are intended to guarantee that laws will be impartially enforced (Holmes 1993: 47). All this means that a mechanism of "vertical control" from above is built into the democratic system.

The sixth is the principle of *constitutionalism and judicial review*. It implies the distrust in the integrity of legislating bodies, which may be tempted to bend the laws to their particularistic interests, or to change the laws opportunistically. Hence the need for highest law above all specific regulations, preempting the easy possibility of its change and making a sort of pre-commitment for the future

(Przeworski et al. 1995: 50) - by introducing the requirements of qualified majority, or even the recourse directly to the people through referenda - and establishing the highest, autonomous constitutional tribunals to enforce its precepts. This is another mechanism of vertical control from above institutionalized in democracy.

The seventh is the principle of *litigation*. This implies the suspicion that at least some citizens will default on their contractual obligations toward others. Hence the need for the independent arbitrator, by means of courts or other similar bodies, as the ultimate recourse in cases when the obligations are violated. Here we have another case of horizontal control applied to the relationships between the citizens, as well as between the institutions.

The eighth is the principle of *due process*. Some measure of distrust extends even to the law enforcing and arbitrating institutions themselves. Even the courts are not beyond suspicion of partiality, or negligence. Hence the need for the institution of appeal, and sometimes several grades of appeal before the rulings become valid and binding. This is a case of vertical control from above built into the relationships among judicial agencies.

The ninth is the principle of *civic rights*. This implies the distrust in the spontaneous good will of authorities in satisfying the needs and interests of the citizens. It also implies that the citizens may be subjected to abuse by the authorities. Such possibilities require the mechanism through which the citizens must have measures to demand such satisfaction, and protect themselves against abuse. Safeguarding the civic rights in the constitution, opening the possibility of suits against public institutions, establishing the office of the Ombudsman, or in some countries even allowing the direct "constitutional suit" against the state - are meant to meet this need. This is another instance of vertical control from below.

The tenth is the principle of *law enforcement*. This implies the distrust in the spontaneous following of laws by the citizens. At least some of them may be suspected to disobey. Hence there must be mechanisms for checking whether the citizens' duties are fulfilled, and of enforcing them if necessary. Those who choose not to meet their obligations toward the state must be made to do so. The

establishment of such institutions as the police, public prosecutors, tax collectors etc. serves this purpose. This is another case of the vertical control from above.

The eleventh is the principle of *universalism and fairness*. This implies the suspicion that institutions and the citizens alike may be partial, biased, defending partisan, factional or personal interests. Hence the need for the strong prohibitions against all forms of discrimination, or privileged treatment, nepotism, favoritism etc., and turning the demand for equal treatment into one of the civic rights, enforceable through public institutions, including courts. This is the control of both vertical and horizontal type, as it refers to the relationships among citizens, among institutions, as well as the citizens and institutions.

The twelfth is the principle of *open communication*. Neither all people nor all institutions can be trusted to be truthful, open to argumentation, recognizing views of others. There is the need to counter the temptation toward censorship, indoctrination, limiting free expression of opinions, dogmatism or outright deception - that may occur both to the authorities and citizens. The defence of tolerance, open debate, pluralistic and independent media is necessary to safeguard the fundamental operational principle of democracy which is the search for truth, compromise or consensus. The very existence of the "fourth power" of the media, and protection of its autonomy provides for powerful vertical control from below.

Let us see now how those twelve principles of democracy relate to the seven contextual (structural) conditions stipulated as necessary for generating the culture of trust. The normative certainty is raised due mainly to the principles 5 and 6: the rule of law, binding constitution and judicial review guarantee the constancy and consistency of laws at various levels. The transparency of social organization benefits from the principles 2 and 12: the electoral campaigns are the occasions for critical scrutiny of existing arrangements and policies, and free media unravel the secrets of political functioning. The stability of the social order is helped by the principle 6: the establishment of a constitution and pre-empting the possibility of its own easy change. The accountability of power is safeguarded by the principles 1, 2, 4, 5, 6, and 9: they subject authority to both vertical and horizontal controls, from below and from above. The enactment of rights and obligations is possible thanks to the principles 7 and 9; people may sue the other people as well

as the authorities in defence of their justified claims. The enforcement of duties and responsibilities proceeds with the support of the principle 10: the authorities have means to compel the citizens toward law-abiding conduct. The personal dignity, integrity and autonomy of the people is guaranteed by the principles 8 and 11, but also 1 and 9, which give them protection against abuse and discrimination, and provide with the prerogatives of the ultimate sovereign in their societies.

To put it brief: people are more ready to trust the institutions and other people if the social organization in which they operate insures them against potential breaches of trust. Democratic organization provides this kind of insurance.

IV The normative model versus the functioning of democracy

So far our discussion was carried out at the ideal-typical plane. We have reconstructed the normative model of democracy. And it was shown to be potentially powerful factor in generating the culture of trust. But the actual emergence or decay of trust is contingent on the manner in which democratic principles are implemented, the way in which they operate in social and political life.

It seems that in order to evoke strong culture of trust, two conditions must be met. First, democratic principles must be *dependable*, i.e. applied consistently, invariably, and universally. And second, the controls they involve must be applied *sparingly*, as a kind of last resort or backup option.

For the undermining of trust, and spreading of cynicism (the culture of distrust) nothing is probably more dangerous than the violations and abuses of democratic principles. When people live in democracy, they develop a kind of meta-trust, trust in democracy itself as the ultimate insurance of other kinds of trust they may exercise. Once this meta-trust is breached, and the insurance defaults, they feel cheated. This is immediately reflected in all other relationships where they invested trust; the culture of trust is shattered. "Impressionistic evidence suggests that the failure of any institutional complex - from government to the media, from the professions to economic institutions to the military - to live up to any or all of

these standards is the predominant reason for denying or withdrawing generalized trust from the personnel of entire institutional sectors and ultimately 'everyone else' (Offe 1996: 34). It may perhaps be argued that the failure of democracy is more destructive for the culture of trust, than the outright autocratic regime. In the latter case people at least know what to expect, they have no illusions, whereas in the earlier case their hopes are disappointed, their expectations violated, producing even stronger disenchantment.

The typical failures of "democracy in action" (as departing from "democracy in codes") may be listed in the order of twelve constitutive principles of a democratic system and their possible violations. First, the legitimacy of the authorities may be fragile. One typical case occurs when low electoral participation and proportional electoral laws produce the effect that large segments of society feel unrepresented and the authorities are in fact elected only by a minority of the population. Another case is the deficiency of the procedures leading to the revocation of representatives and public officials, when in spite of their manifest failures in office they are not deposed. Second, the turnover of power may be impeded. One way is the manipulation with electoral law in a way which raises the chances for reelection for actually ruling groups. Another example is the prolongation of the term of office (e.g. the president for life), even if it is done in a formally correct fashion, through the earlier change of laws. Third, the collective decision-making and the voice of majority may be replaced by autocratically imposed solutions stamped ex post by opportunistic or obedient majorities. Fourth, some branches of power (e.g. the executive, the military, the police) may acquire preponderance over others, undermining the mechanism of mutual checks and balances. Fifth, the equality before the law may be violated by the use of double standards, depending on the political clout of the villain, leading to the immunity of bureaucracy, unpunished breaches of law by public officials etc. Sixth, the constitution may be interpreted or even changed in arbitrary manner, retroactive legislation practiced, the verdicts of the constitutional tribunal overruled by the legislature. Seventh, the courts may be inaccessible, overloaded, or prohibitively expensive for successful litigation. Eighth, the opportunities for appeal may be limited, the period of custody prolonged, the conditions of serving prison terms inhuman, the parole unattainable. Ninth, the civic rights may be purely declarative, due to the lack of resources for their implementation, or the means of effective claiming. Tenth, the law enforcement may be lax, the enforcing agencies inefficient or corrupted, and

the permissive atmosphere spreading out. Eleventh, nepotism, favoritism, factionalism may privilege certain groups or individuals, while others may be subjected to discrimination. Twelfth, the pressure on the media may lead to more or less masked forms of censorship, selective bias, curbs on critical messages. This list is obviously incomplete, intended merely as illustration.

The impact of those and similar abuses of democracy on the culture of trust depends on their scale: whether they are sporadic or permanent, incidental or common. It also depends on their visibility; the awareness of the abuses by large segments of population. Usually the existence of vigilant opposition as well as pluralistic and autonomous media, provide for such visibility. If the failure of democracy is widely perceived, generalized and diffuse trust is replaced by pervasive distrust. In such circumstances the culture of distrust is obviously warranted. On the other hand, if the abuses of democracy are hidden from view, and the people keep faith in a democratic facade, their trust is unwarranted and must be considered as blind or naive. It is also very fragile, as the shock of disclosure is sooner or later inevitable, and then it has devastating effect on trust. It is only when the democratic principles are consistently implemented, that the culture of trust is fully warranted. But even here, people may be aware of the ways in which the system functions only to certain degree. If the system functions properly, but the people are ignorant of that, the culture of trust will not develop. Rather, they will get into the trap of obsessive, paranoid distrust. Thus the warranted character of trust or distrust depends on the extent to which the citizens are interested, sensitive, discerning and well informed, and the political system - fully transparent.

We have said at the beginning of this section that for the culture of trust to develop, democratic principles need not only be implemented consistently, but also applied sparingly. Let me explain this latter condition. Democratic principles institutionalize distrust: they assume that trust can be breached and provide correctives for that. The fact that the principles are put to use, that the corrective mechanisms are activated, indicates that trust had in fact been breached. As long as this happens sporadically, exceptionally, as a last resort, the culture of trust is not undermined, but rather enhanced by the proofs of effective accountability. But there is some threshold where this may backfire and the trend reverses itself. Hyperactivity of correctives indicates that there is perhaps too much to correct.

For example, if people constantly resort to litigation and the courts are flooded with suits, if the Ombudsman is overloaded with claims, if the police is overworked and prisons overcrowded, if the media constantly detect and censure political corruption, and citizens denounce or revoke their representatives - then the culture of trust may break down. To be pervasive and lasting, generalized trust cannot be due merely to efficient controls. Rather, it must see in the potentiality of controls only the ultimate defence against unlikely and rare abuses of trust. Institutionalized distrust breeds spontaneous trust most effectively as long as it remains at the level of institutionalization, and does not turn into actual, routine practice. This is the specification of our paradox of democracy: the extensive potentiality of controls must be matched by their very limited actualization. Institutionalized distrust must remain in the shadows, as a distant protective framework for spontaneous trustful actions.

Depending on the ways in which democratic corrective mechanisms are actually implemented two alternative loops of self-amplifying causality are started - the vicious or the virtuous one. When the culture of distrust prevails, the apparatus of enforcement, enactment and control is mobilized. Its hyperactive operation seems to signal to the people that their distrust was warranted, that the breaches of trust are pervasive, and such perceptions only enhance and deepen the culture of distrust. This is the vicious loop. On the other hand when the culture of trust prevails, the apparatus of enforcement, enactment and control is resorted to only occasionally. Its subdued operation suggests to the people that their initial trust was warranted, that the breaches of trust are rare, and such perceptions obviously enhance and deepen the culture of trust. This is the virtuous loop.

V Creating the culture of trust

If we are correct in the claim that the culture of trust is in many ways functional for the social system, then it would be good to know how it can be shaped. At the close of our analytic discussion I wish to venture some suggestions concerning policies which follow from the presented model of trust.

Obviously the culture of trust would flourish in the world of universal trustworthiness. "The best device for creating trust is to establish and support trustworthiness" (Hardin 1996: 29). In the perfect society where all actions of the citizens as well as institutions were regular, reasonable, effective, predictable, fair, just, disinterested, cooperative, supportive, helpful - there would be no initial risk in trusting others, and as trust would not be breached it would be strengthened and rooted. Of course no society like this exists. And the recommendation to raise general trustworthiness sounds like wishful thinking, empty of practical meaning. Trustworthiness cannot be targeted directly by any policies. But there is one possible indirect measure: making people and institutions accountable and raising the costs of breaching trust. Trustworthy conduct would then become self-interested and rational. It would pay to be trustworthy. We have argued that it is precisely the democratic organization that provides for manifold accountability: horizontal and vertical, from above and from below. Hence democratic design seems to raise the stimuli for trustworthiness for the people and institutions alike.

Another condition where the culture of trust would flourish is the universal presence of basic trust, the psychological propensity to trust others a priori, independent of the calculus of trustworthiness. This personality trait supposedly shaped by intimate and warm socializing milieu, as well as fortunate life experiences in tight communities cannot be targeted directly.

Similarly, not much can be done to shape the tradition of trust. It depends on the long sequence of historical experiences that a society has gone through. The past cannot be undone, the legacy, the heritage of the past is something that must be acknowledged and taken into account, but cannot be constructed or reconstructed. It makes a given, a parameter for the present situation.

Thus the only area open to purposeful, political efforts directed at raising trust are the actual contextual (structural) conditions of a society. Each of the seven trust-generating conditions we singled out - normative certainty, transparency, stability etc. - can become a target of policies. But there is a general direction of policy which, as we have argued, influences all of them together. This is institutionalizing and implementing democratic institutions. The democratic design was shown to encourage the culture of trust, generalized and diffuse trust applied a priori, apart from any calculation of trustworthiness.

Thus for the sake of raising trust, the most conducive policy is building democracy and safeguarding its viable functioning. It acts on trust from both sides: from the side of the trusted, raising their accountability and hence their interest in trustworthiness, and from the side of the trusters, providing them with insurance against the breaches of trust, and hence raising their readiness to risk trust. It may be said that democratic institutions have double "teaching effects" with respect to trust.

Once the lessons are learned and democratic design succeeds in producing the culture of trust, it starts to feed back on democratic institutions, helping the viable functioning of democracy, which in turn enhances the culture of trust. The virtuous loop of mutually amplifying trust and democracy starts on its way.

There are many arguments in favor of democracy. This article has claimed one more asset of this political formation, showing how it breeds the culture of trust, and hence raises the creative, future-oriented potential of society.

Bibliography

- Almond, G.A. and Verba S. 1963, *The Civic Culture: Political Attitudes and Democracy in Five Nations*, Princeton: Princeton University Press
- Banfield, E.C. 1967, *The Moral Basis of a Backward Society*, New York: Free Press
- Barber, B. 1983, *The Logic and Limits of Trust*, New Brunswick: Rutgers University Press
- Bellah, R.N. et al., 1992, *The Good Society*, New York: Vintage Books
- Bok, S. 1989, *Lying: Moral Choice in Public and Private Life*, New York: Pantheon Books
- Bok, S. 1979, *Lying: Moral Choice in Public and Private Life*, New York: Vintage Books
- Cladis, M.S. 1992, *A Communitarian Defense of Liberalism: Emile Durkheim and Contemporary Social Theory*, Stanford: Stanford University Press
- Coleman, J.C. 1990, *Foundations of Social Theory*, Cambridge; Mass.: Harvard University Press
- Durkheim, E. 1895, *Les Regles de la Methode sociologique*, Paris: Presses Universitaires de France
- Fukuyama, F. 1995, *Trust: The Social Virtues and the Creation of Prosperity*, New York: Free Press
- Gambetta, D. (ed.) 1988, *Trust: Making and Breaking Cooperative Relations*, Oxford: Basil Blackwell
- Giddens, A. 1991, *Modernity and Self-Identity*, Stanford: Stanford University Press
- Hardin, R. 1993, "The street-level epistemology of trust", in: *Politics and Society*, vol. 21, No. 4, pp. 505-529
- Hardin, R. 1996, "Trustworthiness", in: *Ethics*, No.107, pp. 26-42
- Hechter, M. and Kanazawa, S. 1993, "Group solidarity and social order in Japan", in: *Journal of Theoretical Politics*, No.4, pp. 455-93
- Holmes, S. 1993, "Tocqueville and democracy", in: D. Copp et al. (eds.), *The Idea of Democracy*, Cambridge: Cambridge University Press, pp. 23-63
- Luhmann, N. 1979, *Trust and Power*, New York: John Wiley
- Luhmann, N. 1994, *Risk: A Sociological Theory*, New York: Aldine
- Merton, R.K. 1996, *On Social Structure and Science*, edited by P. Sztompka, Chicago: Chicago University Press

- Offe, C. 1996, "Trust and Knowledge, Rules and Decisions", Washington: Georgetown University (mimeographed), 47 pp.
- Parry, G. 1976, "Trust, Distrust and Consensus", in: *British Journal of Political Science*, Vol.6/1976, pp. 129-142
- Przeworski, A., et al. 1995, *Sustainable Democracy*, Cambridge: Cambridge University Press
- Putnam, R.D. 1995, "Bowling alone: America's declining social capital", in: *Journal of Democracy*, vol. 6, No. 1, pp. 65-78
- Putnam, R.D. 1996, "The strange disappearance of civic America", in: *The American Prospect*, Winter 1996, pp. 34-48
- Rose, R. 1994, "Postcommunism and the problem of trust", in: *Journal of Democracy*, July 1994, pp. 18-30
- Stivers, R., 1994, *The Culture of Cynicism*, Oxford: Blackwell
- Sztompka, P. 1996, "Trust and emerging democracy: lessons from Poland", in: *International Sociology*, vol.11, No.1, pp. 37-62
- Wilson, J.Q., 1993, *The Moral Sense*, New York: Free Press