

Trust and trustworthiness

An aspect of the relational dimension of social capital

Tristan Claridge

Institute for Social Capital, Dunedin, New Zealand

Article Info

Received 29 September 2020
Available online 12 October 2020

Academic non peer reviewed
Open-access

Keywords:
social capital
trust
trustworthiness
relational dimension

Abstract

This article explores the concepts of trust and trustworthiness within the framework of social capital. Trust and trustworthiness are key elements of the relational dimension of social capital, alongside the structural and cognitive dimensions. Trust is considered essential for the existence of social capital, playing a central role in social interactions, exchanges, and cooperative behaviour. Trust is often mentioned explicitly in definitions of social capital and is recognised as a core component of social capital by various authors. Effective collective action and productive cooperation require high levels of trust and perceptions of trustworthiness. Trust lubricates social life and enables peaceful and stable social relations. It can be built within personal relationships based on reputation and experience and outside relationships based on socialisation and coordinating institutions. The distinction between particularised trust (between people who know each other well) and generalised trust (between strangers) is commonly discussed. Trustworthiness refers to an individual's reputation and track record of fulfilling promises and obligations, while trustworthiness of others is related to shared norms and understandings. The article acknowledges that trust is complex and multifaceted, influenced by personal experiences and contextual factors. Institutions play a crucial role in shaping perceptions of trust and trustworthiness by facilitating the development of shared norms and cognitive understandings. Trust and trustworthiness can be viewed as aspects of both the relational and cognitive dimensions of social capital, depending on the specific conceptual approach and level of analysis. The article concludes that trust is a socially situated calculation and predisposition grounded in subjective experiences and intersubjectivity.

Introduction

Trust and trustworthiness are commonly mentioned as elements of the relational dimension of social capital. The other dimensions of social capital being the structural and cognitive dimensions. This conceptualisation, distinguishing between structural, relational, and cognitive dimensions, is one of the major approaches to social capital. This approach was systematically explored and elucidated by Nahapiet & Ghoshal (1998) building on Granovetter's (1992) discussion of structural and relational embeddedness.

Trust is essential for the existence of social capital (Coleman, 1990) and most authors agree that trust and trustworthiness are at the core of social capital (Paxton, 2002; Portes, 1998). Trust is often mentioned specifically in definitions of social capital, for example, "connections among individuals—social networks and the norms of reciprocity and trustworthiness that arise from them" (Putnam, 2000: p.19). Some authors even equate trust with social capital, such as Francis Fukuyama (Fukuyama,

1995, 1997, 2002). Trust is vital for any form of social interaction or exchange and trustworthiness 'lubricates social life' (Cherti, 2008).

Effective collective action requires high levels of trust and perceptions of trustworthiness. Trust makes it possible to maintain peaceful and stable social relations that are the basis for collective behaviour and productive cooperation (Newton, 2001). Social interaction and exchange without trust would be virtually impossible and all economic activity requires at least a minimum level of trust. Without trust actors would not have the confidence that others would uphold their expectations and obligations and would be unwilling to participate with others.

Trust is complex and multifaceted, extensive discussion of trust and social capital is beyond the scope of this article. For detailed discussion see Fukuyama, 1995; Glaeser et al., 2000; Newton, 2001; Nooteboom, 2006; Son & Feng, 2019; Tsai & Ghoshal, 1998.

Trust can be built within relationships, on a personal basis, but it may also arise outside relationships, more impersonally, on the basis of socialisation and within the context of coordinating institutions (Nooteboom, 2006). A simplified distinction is trust between people who know each other well, and trust between strangers

Correspondence should be addressed to
Email: tristan@socialcapitalresearch.com

© 2020 Social Capital Research. All rights reserved.
doi: 10.5281/zenodo.8053298

(Scrivens, 2013). The former is based on reputation and experience and is often called “particularised”, “personalised”, “situated”, “relational”, or “thick” trust and the latter is based on beliefs and predispositions and is often called “generalised”, “social”, or “thin” trust (Guiso et al., 2010; Putnam, 2000; Uslaner, 2002).

When talking about the trustworthiness of an individual we are referring to their reputation, their track record of fulfilling on promises and obligations, being fair, and not being exploitive. When talking about trustworthiness of others – not a specific person – we are referring to norms and shared understandings. However, in both cases we cannot discount the influence of the personal experiences of the observer, i.e. their lifeworld.

Depending on the conceptual approach to social capital and the level of interest (micro to macro), one or both types of trust may be relevant. At the micro or meso level when the focus is on individual social capital or it has private good qualities, relational trust is clearly important. Generally, social trust should not be ignored since there is evidence that social trust influences relational trust (Robbins, 2016). At the meso and macro levels where social capital has public good qualities, social trust is most important. Social trust is normative and related to morals and faith in others rather than information and experience with specific individuals (Patulny & Lind Haase Svendsen, 2007). Social trust is also related to the human instinctual disposition to trust and be trustworthy (Moobela et al., 2007; OECD, 2001).

From some theoretical perspectives trust could be considered the acceptance of risk and vulnerability related to the actions of others and an expectation that the other will not exploit this vulnerability (Purdue, 2001). This view is popular in ration-choice approaches that tend to treat trust as a probability and therefore a rational calculation. As stated by Gambetta (1988), “when we say we trust someone or that someone is trustworthy, we implicitly mean that the probability that he will perform an action that is beneficial... is high enough for us to consider in engaging in some form of cooperation with him.” However, rationality is only part of the explanation for trust and trustworthiness since people trust more than is rationally appropriate out of a sense of moral attachment (Mansbridge, 1999) cited in (Patulny & Lind Haase Svendsen, 2007).

Institutions can play an important role in perceptions of trust and trustworthiness. Institutions of all types can facilitate the development of shared norms and shared cognitive understandings that provide the foundation for perceptions of trust and trustworthiness. Institutions can mitigate many perceived vulnerabilities, creating confidence in the degree of trustworthiness. These institutional structures help to create and recreate norms and shared understandings.

Are trust and trustworthiness aspects of the relational or cognitive dimension of social capital? From the discussion above, we could conclude that relational trust is part of the relational since it relates to the

specific characteristics of social relationships. However, social trust is cognitive since it relates to more general perceptions and beliefs that do not relate to specific individuals. Trustworthiness relates to reputation in the context of relational trust, and to norms and shared understandings in the context of social trust.

Trust is a calculation and predisposition that is socially and culturally situated, so has an element of intersubjectivity, and is grounded in subjective experience.

References

- Anderson, A. R., & Jack, S. L. (2002). The articulation of social capital in entrepreneurial networks: a glue or a lubricant? *Entrepreneurship & Regional Development*, 14(3), 193–210. <https://doi.org/10.1080/08985620110112079>
- Bouma, J., Bulte, E., & van Soest, D. (2008). Trust and cooperation: Social capital and community resource management. *Journal of Environmental Economics and Management*, 56(2), 155–166. <https://doi.org/10.1016/j.jeem.2008.03.004>
- Cherti, M. (2008). *Paradoxes of Social Capital: A Multi-Generational Study of Moroccans in London*. Amsterdam University Press. <http://www.oapen.org/download/?type=document&docid=340109>
- Coleman, J. S. (1990). *Foundations of social theory*. Harvard University Press.
- Fandiño, A., & Souza, M. De. (2013). Questions about Trust for the Development of Social Capital and Competence. *International Journal of Business and Social Science*, 4(11).
- Fitzsimons, E., Rodríguez-Lesmes, P., Stein, D., Vera-Hernández, M., & Yoshida, S. (2019). *Building Social Capital: Poor Impacts or Poor Measurements?*
- Frost, D. M. (2017). Social capital and the budgeting process [University of Waikato]. <https://waikato.researchgateway.ac.nz/handle/10289/10952>
- Fukuyama, F. (1995). *Trust: the social virtues and the creation of prosperity*. Hamish Hamilton.
- Fukuyama, F. (1997). Social capital and the modern capitalist economy: Creating a high trust workplace. *Stern Business Magazine*, 4(1).
- Fukuyama, F. (2002). Social capital and development: The coming agenda. *SAIS Review*, 22(1), 23–37.
- Gambetta, D. (1988). *Trust: Making and Breaking Cooperative Relations* (Vol. 52, Issue 4). Blackwell.
- Glaeser, E. L., Laibson, D. I., Scheinkman, J. A., & Soutter, C. L. (2000). Measuring trust. *The Quarterly Journal of Economics*, 115(3), 811–846.
- Granovetter, M. (1992). Problems of explanation in economic sociology. In N. Nohria & R. Eccles (Eds.), *Networks and organisations: Structure, form, and action* (pp. 25–56). Harvard Business School Press.

- Guiso, L., Sapienza, P., & Zingales, L. (2010). *Civic Capital as the Missing Link*. <https://doi.org/10.3386/w15845>
- Harper, R. (2001). *Social capital: A review of the literature*. In *Social analysis and reporting division*.
- Khedir, H. H., & Khedir, H. H. (2020). *Theory of Social Capital, Democracy and Democratization*. In *Social Capital, Civic Engagement and Democratization in Kurdistan* (pp. 1–43). Springer International Publishing. https://doi.org/10.1007/978-3-030-42144-1_1
- Land, S., Engelen, A., & Brettel, M. (2012). Top management's social capital and learning in new product development and its interaction with external uncertainties. *Industrial Marketing Management*, 41(3), 521–530.
- Mansbridge, J. (1999). Altruistic trust. In M. E. Warren (Ed.), *Democracy and Trust* (pp. 290–309). Cambridge University Press.
- Monavvarian, A., Asgari, N., Akhavan, P., & Ashena, M. (2013). Developing social capital for facilitating knowledge management practices. *International Journal of Social Economics*, 40(9), 826–844. <https://doi.org/10.1108/IJSE-07-2012-0121>
- Moobela, C., Price, A., Taylor, P. J., & Mathur, V. N. (2007). Determinants of social capital: prioritising issues for holistic urban sustainability assessments. In M. Horner, C. Hardcastle, A. Price, & J. Bebbington (Eds.), *International Conference on Whole Life Urban Sustainability and its Assessment*. Loughborough University.
- Moran, P. (2005). Structural vs. relational embeddedness: social capital and managerial performance. *Strategic Management Journal*, 26(12), 1129–1151. <https://doi.org/10.1002/smj.486>
- Nahapiet, J., & Ghoshal, S. (1998). Social capital, intellectual capital, and the organisational advantage. *Academy of Management Review*, 23(2), 242.
- Newton, K. (2001). Trust, social capital, civil society, and democracy. *International Political Science Review*, 22(2), 201–214.
- Nooteboom, B. (2006). Social Capital, Institutions and Trust. *CentER Discussion Paper*, 2006–35. www.bartnooteboom.nl
- OECD. (2001). *The well-being of nations : the role of human and social capital*. Organisation for Economic Co-operation and Development. <https://eric.ed.gov/?id=ED453111>
- Patulny, R. V., & Lind Haase Svendsen, G. (2007). Exploring the social capital grid: bonding, bridging, qualitative, quantitative. *International Journal of Sociology and Social Policy*, 27(1/2), 32–51. <https://doi.org/10.1108/01443330710722742>
- Paxton, P. (2002). Social Capital and Democracy: An Interdependent Relationship. *American Sociological Review*, 67(2), 254–277. [http://faculty.washington.edu/matsueda/courses/529/Readings/Paxton 2002.pdf](http://faculty.washington.edu/matsueda/courses/529/Readings/Paxton%2002.pdf)
- Portes, A. (1998). Social capital: its origins and applications in modern sociology. *Annual Review of Sociology*, 24(1), 1–25.
- Purdue, D. (2001). Neighbourhood Governance: Leadership, Trust and Social Capital. *Urban Studies*, 38(12), 2211–2224. <https://doi.org/10.1080/00420980120087135>
- Putnam, R. D. (2000). *Bowling alone : the collapse and revival of American community*. Simon & Schuster.
- Ramos-Pinto, P. (2012). Social Capital as a Capacity for Collective Action. In *Assessing Social Capital: Concept, Policy and Practice* (pp. 53–69). Cambridge Scholars Press. <https://doi.org/10.5848/CSP.0479.00004>
- Robbins, B. G. (2016). From the general to the specific: How social trust motivates relational trust. *Social Science Research*, 55, 16–30. <https://doi.org/10.1016/j.ssresearch.2015.09.004>
- Scrivens, K. (2013). *Four Interpretations of Social Capital: An Agenda for Measurement*. OECD Publishing.
- Son, J., & Feng, Q. (2019). In Social Capital We Trust? *Social Indicators Research*, 144(1), 167–189. <https://doi.org/http://dx.doi.org/10.1007/s11205-018-2026-9>
- Taylor, S. (2007). Creating social capital in MNCs: the international human resource management challenge. *Human Resource Management Journal*, 17(4), 336–354. <https://doi.org/10.1111/j.1748-8583.2007.00049.x>
- Tsai, W., & Ghoshal, S. (1998). Social capital and value creation: The role of intrafirm networks. *Academy of Management Journal*, 41(4), 464–476. <https://doi.org/10.2307/257085>
- Uslaner, E. M. (2002). *The moral foundations of trust*. Cambridge University Press.
- van Staveren, I., & Knorringa, P. (2007). Unpacking social capital in Economic Development: How social relations matter. *Review of Social Economy*, 65(1), 107–135. <https://doi.org/10.1080/00346760601132147>
- Yang, S.-C., & Farn, C.-K. (2009). Social capital, behavioural control, and tacit knowledge sharing—A multi-informant design. *International Journal of Information Management*, 29(3), 210–218. <https://doi.org/10.1016/j.ijinfomgt.2008.09.002>