Social Trust: Croatia 1995-2003[*]

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Summary

In this paper the author deals with the concept of social trust. Since the concept has so far been neglected in the political science research in Croatia, the author intends to map it out for the scientific and expert political science public and lay the foundations for its future use. By means of the secondary data analysis, the author describes the state of social trust in Croatia. First he contextualizes the concept of social trust from the perspective of the dominant approaches in political science research; then he identifies the distinguishing features of social trust in relation to the other types of the trust; and finally, he provides an overview of major works on the importance and functions of social trust. The last portion of the paper is devoted to the analysis of the levels of social trust which shows that Croatia is a society with low levels of social trust which, according to the author, may represent an obstacle for political and economic development.

Key words: social trust, Croatia, Putnam

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Introduction

The concept of social trust has been extensively used in the last ten years in political science research, especially when attempting to explain the effi-

ciency of the functioning of democratic political systems. Numerous studies show that social trust positively affects the quality of democracy in well-established democratic states, as well as in postcommunist democracies. Despite such propulsion, the concept of social trust so far has not been consistently used in political science analyses of the functioning of democracy in Croatia. On the contrary, it might be said that this concept has not been studied in Croatian political science at the level of systematic and coherent description and explication.

Thus, this paper has two goals. To use a scientific concept one has to be cognizant of it so the first goal is to make the political science public familiar with the concept of social trust. The second goal is to outline, by means of the secondary data analysis, the state of social trust in Croatia, using the temporal and spatial comparison i.e. the data for Croatia are compared for three points of reference and also with the situation in other countries. Such goals make this paper a sort of an exploratory research that may serve as the first step in mapping out the possible uses of the concept of social trust in the future research of social and political phenomena in Croatia.

The paper is divided into five parts. The first part contextualizes social trust in relation to the dominant research approaches in political science. In the second part different types of trust are described with a special focus on the characteristics of social trust that distinguish it from the other types. The third part explains the importance of social trust for contemporary societies, while the fourth part offers an overview of the major studies of the functions of social trust. The fifth part is devoted to the state of social trust in Croatia.

Political culture, social capital and social trust

The development of political science after World War Two meant a pluralization of the approaches and methods used in the research of political phenomena. Nevertheless, the main developments may be identified. Thus Robert Putnam (1993), the eminent American political scientists at the end of the 20th century, claims that in the contemporary political science three approaches to the analysis of political phenomena prevail. They are distinguished by which of the three concepts they use as a prism through which they view the sphere of politics and the functioning of political systems. These three concepts are: institutions, interest and culture. Vladimir Vujčić in the introduction to his book *Politička kultura demokracije /Political culture of democracy/* similarly writes: "In political science today there are three major approaches to the study of politics: the institutional approach, the rational-choice or public-policy approach and the cultural approach" (2001: 11). The advocates of the institutional approach see in political institutions the key factor for understanding politics, while the champions of the

rational-choice theory claim that human beings are above all rational and interest-oriented beings and that this should be borne in mind when analyzing political processes. About the third approach he says: "Political-cultural approach to politics claims that each politics has its subjective, and not only objective base, and the political behaviour and the activities of the masses and the elites are not only rationally and interest-based, but are also grounded in traditions, customs, value orientations, emotions, trust and loyalty, and so on." (11)

For this paper the third approach is of particular interest. The basic assumption of this approach is that the cultural system of a community either hinders development and stability, or it can be the driving force of social progress and welfare. It must be noted that this idea has a long history in the history of political thought. Greek philosophers argued that the functioning of a political community does not depend solely on this or that alignment of political institutions, but that there is another sphere in which citizens' activism is exhibited, fundamental political values and sentiments expressed and which is also important for the development of that political community.

This idea of the significance of cultural factors i.e. the subjective dimension of politics, was for the first time consistently – and using the concept of political culture – outlined in contemporary political science by the American political scientists Gabriel Almond and Sydney Verba in their book *The Civic Culture* (1963 [2000]). On the basis of a comparative research of political life in five states they concluded that the functioning of democratic political institutions largely depends on the knowledge and values of their citizens as well as their attitudes to political process. Their message is momentously expressed in the following quote: "The statesmen who attempt to create political democracy often concentrate upon the formation of a political party to stimulate the participation of the masses. But the development of a stable and effective government depends upon the orientation that people have to the political process – upon the political culture. Unless the political culture is able to support a democratic system, the chances for the success of that system are slim" (2000: 365).

The concept of political culture quickly became extremely popular and was often used in comparative research so that soon the political-cultural approach emerged in political science. In his analysis Peter Mair highlights the 1960s and the first half of the 1970s as the time when comparative politics was dominated by the politico-cultural approach and was "the golden age" of comparative politics (Mair, 1996: 309-335). One of the problems for the comparative research using that concept is the fact that political culture is an extremely complex, multidimensional concept. Namely, Almond and Verba thought that the concept of political culture is abstract enough to satisfy one of the basic requirements that should be met by the concepts used in the re-

search of a number of different countries: such concepts should be able to "travel" i.e. to be applicable in various social and political contexts, without their "stretching" i.e. the distortion of their original sense and meaning.[1]

In order for a concept to "travel" far – to be applied in an analysis of political phenomena in a number of countries – it must be highly abstract, in other words consist of only a few distinguishing features. However, concrete research soon showed that political culture is a highly complex concept containing a set of defining features i.e. dimensions such as political participation, civic competence, political knowledge, national pride, party affiliation, trust, and so on.[2] This very complexity posed a problem in the use of this concept in the research which wants to encompass countries with different socio-political contexts.

As a solution to this problem, in political research there are some other concepts by means of which the influence of the subjective dimension of politics is studied. Probably the most famous concept of this sort is social capital, introduced into political science by the American political scientist Robert Putnam in his book *Making Democracy Work* (1993). On the basis of a comparative analysis of the functioning of regional institutions in Italy, Putnam demonstrates how social capital is the central determinant of the proper functioning of democratic political institutions. By social capital he means "the characteristics of social organization such as trust, norms and networks that may improve the efficiency of the society by facilitating coordinated action" (167). From the definition it is obvious that social capital is made up of three dimensions. By norms Putnam means the norms of reciprocity among people, but not the norms of the specific, balanced reciprocity contingent to a simultaneous exchange of goods or services of approximately similar utility, but the norms of a generalized reciprocity which implies the continued relationships of cooperation and exchange that are at some point unbalanced but which include mutual expectations that what we are giving today will be returned in the future. The other component are the networks of civic ties; particularly important are the horizontal ties among the actors of equivalent status and power as opposed to the vertical ties that include the actors of unequal status and power, and which are negatively correlated to the development of social capital. When these two components – the norms of generalized reciprocity and the horizontal network of civic engagement – are diffused in the society, they create trust, the third dimension of social capital.

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[1] On the *travelling* and *stretching* concepts in comparative politics cf. Sartori (1991).

[2] Thus Vladimir Vujčić argues that there are three basic dimensions and 26 subdimensions of political culture; some of these subdimensions – e.g. political participation – are internally very complex (Vujčić, 2001: 63-64).

The definition also shows that social capital, with these three dimensions, is a much narrower concept than the concept of political culture. By narrowing the conceptualization of cultural variables from political culture to social capital, Putnam responded to one of the major criticisms regarding the use of cultural variables in comparative research – that their use in various contexts causes the distortion of the original meaning – by reducing the number of defining characteristics, thus increasing the abstractness of the concept and its ability to "travel".

Some researchers, however, did not stop at that, but further reduced the cultural variables used in research. Thus the concept of social trust was singled out, which is otherwise just one of the dimensions of the concepts of political culture and social capital.[3] What is social trust and what distinguishes it from the other types of trust?

Types of trust

Which are the dominant understandings of trust within social sciences? Earle and Cvetkovich say that trust represents "a simplifying strategy that enables individuals to adapt to complex social environment, and thereby benefit from increased opportunities" (1995: 38). Claus Offe claims that "trust is the belief that others, through their action or inaction, will contribute to my/our well-being and refrain from inflicting damage upon me/us" (1999: 47). According to Sztompka "trust is bet about the future contingent actions of others" (1999: 2). Kenneth Newton by trust means "belief that others will not deliberately or knowingly do us harm, if they can avoid it, and will look after our interests, it this is possible" (2004: 17).

It is obvious that trust is about the expectations of the behaviour of others.[4] Coexistence with other people invariably leads us to the situation that we have to cooperate with them and at the same time form the expectations about the behaviour of others. Bernard Barber claims that all social interaction is in fact an endless process of shaping the expectations about the behaviour of others; they are partly cognitive, partly emotional, and partly moral (1983: 9). If we could completely control other people, trust would be unnecessary; however, in real life the instances of total control are extremely

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[3] There are, of course, other cultural concepts used in political science research, but they will not be described in bigger detail in this paper, for example the concepts of civic literacy (Milner, 2002) and human development (Inglehart/ Welzel/Klingemann, 2003).

[4] It might be said that opposite trust there is trustworthiness, the characteristic possessed by certain actors or institutions, and means that these actors and institutions may be trusted. It should be pointed out that certain persons or institutions may possess this characteristic even in the situations in which the other side does not show trust.

rare. Insecurity and risk are an integral part of human existence, and one of the possible responses to these conditions is the emergence of trust.

Trust became an interesting topic for the contemporary social science in the mid-1950s, when the American sociologist Morris Rosenberg began using the concept of trust in people as a dimension by which he evaluated the level of misanthropy in a society (1956). Misanthropy is a phenomenon that, if pervasive, affects the functioning of democracy. For Rosenberg misanthropes are persons who mistrust others. Gabriel Almond and Sidney Verba in the already mentioned seminal book *The Civic Culture* (1963) also deal with trust and devote the entire tenth chapter to the issue of the quality of the relationships among people. Trust among people and the civic cooperation built on it for them is a very important dimension of civic political culture. Using Rosenberg's expression of faith in people, they show how trust among people is the grounds for civic cooperation which, in turn, enhances the citizens' scope of influencing government. In the 1980s several major works were published about trust (Luhmann, 1979; Barber, 1983; Baier, 1986; Gambetta, 1988), but the real trigger for a sort of a boom of such works, both theoretical and empirical, was the classification of the category of trust as a major dimension of social capital.

In *Making Democracy Work* Putnam mentions trust as the most important dimension of social capital (1993: 168), the one that facilitates citizens' cooperation. For him, this is the horizontal trust among citizens, but he does not provide a more detailed explication of the concept of trust. He did that in another study, the book *Bowling Alone* (2000: 134-148), in which he exhaustively describes the type of trust he considers the central dimension of social capital. Putnam first says that social capital is about the social and not the political trust. In his opinion social trust is horizontal and refers to the trust among citizens of a political community, while political trust is vertical and refers to the trust of citizens in social and political institutions.

The second Putnam's distinction is the one between the generalized and the particularized trust. Particularized trust stems from our personal relationships with certain people i.e. "trust embedded in personal relations that are strong, frequent, and nested in wider networks is sometimes called *thick trust*" (137). Opposite to this is trusting the members of our own community we do not know, which Putnam calls the generalized or thin trust, an integral part of social capital. He uses the expressions social and generalized trust as synonyms, the practice later to be adopted by most other authors who dealt with the same subject. According to Putnam, this generalized trust enables us to extend the scope of trust beyond the circle of people we know personally.

After the publication of *Making Democracy Work* some authors decided to additionally reduce the cultural variables and focus on the concept of so-

cial trust. This resulted in an array of major works (Earle/Cvetkovich, 1995; Fukuyama, 1995; Misztal, 1996; Seligman, 1997; Offe, 1999; Sztompka, 1999; Warren, 1999; Uslaner, 2002; Newton, 2004) about social trust that dealt with this concept thoroughly and systematically.

Apart from Putnam, all these authors consider it important to distinguish between different types of trust i.e. to highlight the difference between social trust and the other types. This differentiation derives from the fact that trust is a relational concept i.e. there must always be an object of trust (another person, a group of persons, or an institution).

Thus Claus Offe (1999) argues that a typology of trust may be arrived at by combining the difference between citizens and political elites on the one hand and the horizontal and vertical relationships on the other. By combining these two dimensions, Offe gets four possible types of trust – two horizontal and two vertical. One type of horizontal trust refers to the trust of citizens in their fellow citizens, and the other to the trust between different political elites.[5] In vertical trust it is about the same relationship seen from two different perspectives: on the one hand is the trust of citizens in political elites and political institutions filled by these political elites, and on the other the trust of political elites in citizens. Despite this classification Offe says that the term vertical trust is habitually used for the description of the relationship of citizens towards political elites and political institutions; hence this type of trust is often called political trust. Before the emergence of the concept of social trust, political trust was the most researched type of trust in political science research.

Within political trust it is possible to make further distinctions. Thus for example Pippa Norris (1999), using as her starting point the typology of the eminent political scientist David Easton, suggests there are five types i.e. five levels of political trust. These types are derived from the trust of citizens in various objects so that Norris talks about the trust in political community, a regime's principles, a regime's efficiency, a regime's institutions and political actors. Very often authors (Hardin, 1993; Warren, 1999) point to the ambivalent relationship between trust and democracy since on the one hand democratic political system can hardly function efficiently without trust, while on the other the very idea of democracy implies the importance of showing distrust of political authority. Mark Warren argues that democracy stemmed from the politically formulated distrust of the traditional and ecclesiastical authorities and that democratic evolution is built on the fact that

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[5] Offe says that the trust among different political elites is not frequently enough a subject of scientific debates and research but that it is extremely important for the proper functioning of democratic political systems. Among other things, this trust means that people have confidence that power will not be abused i.e. that the democratic rules of the game will be respected and the power handed over if lost in elections.

citizens do not trust their political institutions (1999: 311). Margaret Levi says that "healthy skepticism of citizens is a prerequisite of democracy… Citizen's expressions of skepticism and distrust may be the mayor engine for an even more democratic state" (1998: 96). It is obvious that for these authors the importance of distrust for the proper functioning of democracy primarily lies in political trust i.e. political distrust.

At the level of horizontal trust, trust among citizens, several different types are also distinguished. Most authors identify as the most important the difference between the particularized and the generalized trust. Particularized trust is the trust in the people we know (some authors /Newton, 2004/ also call it specific trust). Claus Offe (1999) labels this type of trust experience-based trust and says it is built around a continued interaction with concrete persons through a certain period. Yamagishi and Yamagishi (1994) also claim that this type of trust depends on information and experience i.e. knowledge, hence they call it *knowledge-based trust*. Eric Uslaner calls this type of trust strategic as it represents a rational reaction to reliable behaviour of other people.[6]

The problem with this type of trust – experience-based, specific, and particularized – is its narrow scope because we know a relatively small number of people. In contemporary societies, the need for cooperation with strangers leads to the situations in which our experience-based trust is not sufficient. This type of trust represents a less amount of risk but also has a narrower scope i.e. the possibilities for achieving our interests. If we relied solely on this type of trust, we would miss on many opportunities for cooperation. Also, it must be added that the assessment of the reliability of other people, on which particularized trust is based, is inherently past-oriented i.e. based on the assessment of knowledge, abilities, and motives of others on the basis of past events and is consequently less oriented towards the future and the future possibilities of exercising trust.

A subtype of particularized trust is often the subject of research of the champions of rational-choice theories. This is the type of trust springing from interests and rational calculation. This approach was often used by Russell Hardin (1993) who, early on, argued that from the perspective of rational choice trust is in fact a paradoxal phenomenon since by displaying trust – which invariably includes a certain dose of risk – individuals agree to increase their vulnerability in relation to other people, which is not a form of rational behaviour. He wants to show how for individuals trust can never-

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[6] Niklas Luhmann (1988) lists the most important conditions fostering particularized trust: permanence of social relationships, reciprocal dependence i.e. the situation in which both actors know they depend on each other but they do not know the concrete situations in which they are going to be forced to cooperate, and the relative unpredictability of future events or the situations in which the actors do not know when they will be in a more or less auspicious situation.

theless be rational despite the apparent paradoxicality. Hardin's starting point is the concept of interest and he claims how "one's trust turns on not one's own interes but on the interests of the trusted. It is encapsulated in one's judgement of those interests" (505). In this approach those who display their trust do not assess the knowledge, abilities or competences of the people they come into contact with, but their interests.

Due to the limitations of specific trust, most authors, just like Putnam, argue that for contemporary societies the other type of horizontal trust is more important: generalized or social trust. Generalized trust is not about the relationships among concrete individuals in a certain concrete context, but concerns the trust in other people in general. This is the trust in the members of our political community we do not personally know, people who are sort of strangers. Most authors use the terms social or generalized trust, but there are some other options. Uslaner claims that this type of trust can be called moralistic. According to Uslaner, moralistic trust is based on the conscious decision that people should be treated as trustworthy. The same term is used by Adam Seligman who says that moralistic trust is based on the belief in the existence of benevolence and good will by other people.

Importance of social trust

Wherein lies the importance of social trust? In one of the first system analysis of the role of trust Niklas Luhmann claims that "without trust only very simple forms of human cooperation which can be transacted on the spot are possible. Trust is indispensable in order to increase a social system's potential for action beyond these elementary forms" (1979: 88). And a little later: "possibilities of action increase proportionally to the increase of trust" (103). Bernard Barber says that "trust is an integrative mechanism that creates and maintains solidarity in social relationships and social systems" (1983: 21). Francis Fukuyama believes that "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" (1995: 7). For Adam Seligman "any long-range attempt at constructing a social order and continuity of social frameworks of interaction must be predicted on the development of stable relations of mutual trust between social actors" (1997: 14).

Some authors (Misztal, 1996; Offe, 1999; Newton, 2004) claim that generalized trust is a contemporary phenomena linked to the processes of democratization that resulted in the acceptance of the freedom of choice as one of the fundamental human rights. In such circumstances, human activities are not based – as it used to be – on somebody's social role and status but on the free choice of individual actors. This individual freedom of choice is enhanced by the fact that the contemporary society is characterized by the

existence of multiple and different options. In almost all spheres of life potential options are enlarged and broadened. In exercising the freedom of choice and the choice of alternative possibilities, people very often rely on generalized trust.

Davorka Matić (2000), in a rare work on this subject by Croatian authors explicitly focuses on social trust and says that it is very easy to explain the importance of trust: "In an almost trivial sense carrying out of basic, everyday activities is based on trust among the participants of those activities" (185). She goes on to explain it in more detail: "Trust is an integral part of our everyday life. Without a minimum of trust in other people and the roles they perform, our everyday life would be transformed into an unbearable and insupportable field of fear, uncertainty and ontological insecurity. Each time we order a meal in a restaurant, buy groceries, go for a walk, take a train or see a doctor, we do it on the assumption that there is no reason to fear for our personal safety or physical survival. Each new day is an adventure we embark upon trusting that hundreds of other, familiar and unfamiliar people, will do us no harm, that they are going to behave reliably and predictably, in a word – properly" (184). It might be said that, unless we trusted that the people we meet in the street will not rob us, we would never leave our house. The alternative to this trust is generalized distrust that gives us a feeling of security but also impoverishes our existence.

Trust is what enables us to reduce complexity and to "take it for granted" most relationships in which we get involved daily. In contemporary complex societies people more than ever operate in the conditions of insecurity, so our reliance on generalized trust represents a strategy of coping with the complexity and insecurity of the environment in which we live and work.

Offe (1999) says that generalized trust is the basis of informal forms of social coordination without which it is difficult, and perhaps even impossible to resolve many problems of collective action facing contemporary societies. Even today, the state is an unavoidable factor in resolving the problems of collective action, but in many cases it is nevertheless too weak to be able to implement alone certain public policies. The development of societies to a large extent depends on the informal forms of social coordination that are based on citizens' mutual trust and cooperation.

The meaning of social trust is studied by Piotr Sztompka (1999) who believes that contemporary societies have certain characteristics that make generalized trust particularly important. He mentions an array of such characteristics among which he highlights the fact that the world we live in is increasingly shaped by purposeful human efforts. Most societies are no longer based on faith but on human action i.e. the fact that we increasingly perceive and recognize our power as actors who by their purposeful activities may in-

fluence future events.[7] Generalized trust is, according to Sztompka, the requirement for active involvement in the efforts to shape the future.

A significant number of authors point out that trust is especially important as the basis for cooperation. It was Benn and Peters who in the 1970s highlighted this function of trust by saying that "the importance of trust derives directly from the nature of human beings as social animals who can only satisfy most of their needs by means of coordinated and cooperative activities" (1977: 279). Dasgupta claims that trust is "lubricant of cooperation" (1988: 49), while Barbalet claims that "trust is the emotional basis of cooperation" (1996: 75). Margaret Levi (1998) claims that trust is not the only possible grounds for cooperation but that it is cheaper than the complex systems of insurance that must be arranged with each new action. Where there is trust, these complex and very often expensive mechanisms of insurance are unnecessary. She concludes that "cooperation is possible also without trust, but collective action will be more efficient in the presence of trust" (1998: 14).

Individual relationships of trust aggregate at the level of the whole society and create the culture of trust or distrust. When more actors cooperate, trust is a bet about each actor from whom we expect to do their part. As each actor has expectations concerning all the other actors, this network becomes increasingly complex, and above these individual expectations the generalized trust of individuals in entire groups is formed**.**

Sztompka (1999) argues that the dominant type of the relationships among the people in a community is manifested at the aggregate level in the form of the culture of trust or distrust. This culture of trust, if it exists, includes an array of positive effects on a community: it encourages sociability and associations with various people, improves communication and in that way enables to overcome the syndrome of insufficient information and ignorance which is one of the main obstacles in resolving the dilemma of collective action, breeds tolerance and acceptance of political differences as legitimate, generates the ties of collective solidarity, even the readiness to sacrifice for the interests of others, and reduces transaction cost. The effects of the culture of distrust, according to Sztompka, are just the opposite: it fosters isolation, shuts down communication channels, promotes the development of defensive attitudes, and increases alienation and transaction cost.

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[7] Luhmann similarly says that "the degree to which our own behaviour, in spite of social dependencies, is thought to have an impact on our future state, has varied considerably in the course of history" (1994: xii). According to Luhmann, presently we are living in an era in which the future increasingly depends on our decision-making i.e. there has been a shift from the society based on faith to the society based on human action.

A number of authors think that generalized trust is an extremely desirable characteristic of contemporary societies with a set of positive effects. Some works on social trust deal just with the testing of those theses at the empirical level. What does research tell us about the functions of social trust?

Functions of social trust

Out of a plethora of research of the functions of social trust, in this paper we focus on several most important ones. In the already mentioned book *Bowling Alone* Putnam compares the American states and concludes that the higher levels of social trust are positively correlated with higher achievements on many areas such as the functioning of democratic political institutions, economic development, educational achievements and health. His basic conclusion on the relationship between social trust and democracy is similar to the one he made about Italy: "The performance of our democratic institutions depends in measurable ways upon social capital" (349). For example, he noticed an extremely strong correlation between higher levels of social trust and higher levels of readiness for political participation (292-293).

The research using the same comparative framework of the American states was carried out by the American political scientist Stephen Knack. The results were published in his study *Social Capital and the Quality of Government* (2002). He suggests that his operationalization of the dependent variable – the functioning of government – is more technocratic than Putnam's so he uses measures such as the quality of financial management, the level of capital investment, the levels of investing into human resources, the development of information technologies, and so on. Despite the different operationalization Knack's results are very similar to Putnam's: authority functions better in the countries with higher levels of social trust.

The issue of the impact of social trust on democracy was also dealt with by Pippa Norris (2001); she decided to test at the comparative level Putnam's results for the USA. Using the data for 47 countries from different parts of the world collected in the third wave of the *World Values Survey* during 1995, she analyzed the influence of social trust on some dimensions of democratic political culture. The analysis of the levels of social trust showed that there are unmistakable differences between certain world regions. The dependent variables which she used to analyze the influence of social trust on political culture were the readiness for political participation, social tolerance and interest in politics. She found out there is a positive correlation between the higher levels of social trust on the one hand and social tolerance and interest in politics on the other. For political participation the correlation was determined only for the countries with the higher levels of

social trust; in the countries with the lower levels of social trust it does not exist. Norris also studies the relationship between social trust and the performance of democratic institutions; she measured the performance of institutions by the index of the state of political rights and civil freedoms in individual states which was designed by the international NGO *Freedom House*. The connection between these two variables is significant and relatively strong. Norris concludes that her analysis shows that social trust is linked to the development of democratic political culture, but also points out that the results of her research are agnostic due to the single direction of the causal relationship between those variables and that the answer to the question about the direction of this influence remains the task of future research.

Some researchers have focused on the research of the influence of social trust on economic prosperity i.e. the economic performance of groups, towns, regions and states. One of the most often quoted works from this area is the study by Francis Fukuyama *Trust: The Social Virtues and the Creation of Prosperity* (1995) in which the author compares the economic performance of various states. Unlike neoclassical economists who think that human beings are basically rational and selfish beings whose main goal is to maximize their material affluence, Fukuyama claims that economic activity and economic success cannot be explained without culture. Fukuyama's central thesis is that social trust is one of the main indicators of a state's economic success. In his analysis he encompasses several states divided into two groups; the societies with high levels of trust e.g. Germany, Japan and USA, and the societies with low levels of trust e.g. France, China and Italy. The interesting thing is that Fukuyama does not use the usual measures of generalized trust but the size of privately-owned enterprises; the large number of big privately-owned companies for him indicates high levels of generalized trust. Generalized trust enables the creation of spontaneous sociability that is, for Fukuyama, a precondition for concerted efforts in the achievement of common goals. The basic mechanism by means of which trust exerts such a positive effect on economic performance is by reducing transaction cost. Fukuyama argued that when we can't trust our employees or other market players, we end up squandering our wealth on surveillance equipment, compliance structures, insurance, legal services, and enforcement of government regulations (181-182).

In his analyses Fukuyama does not go beyond the level of descriptive analysis. A concrete empirical test of the connection between social trust and economic prosperity was carried out by American political scientists Stephen Knack and Philip Keefer in their work *Does social capital have an economic payoff?* (1997). They used the data collected within the *World Value Survey* conducted in 1981 and 1991. They compared the results for 21 countries to give an answer to the question whether social trust affects economic prosperity. They operationalized economic prosperity by means of the

increase of the level of income per capita and the growth of the level of investment, and their analysis shows that generalized trust has a beneficial influence on economic performance.

Social trust in Croatia

Having in mind the above mentioned significance and functions of social trust it is logical to wonder about the levels of social trust in Croatia. A detailed analysis of the state of social trust in Croatia requires a separate study; in this paper the levels of social trust in Croatia will be shown for three different points of reference, and they will be compared with the situation in some other European countries.

The question that detects the level of social trust is in fact very similar to the one asked by Morris Rosenberg in the 1950s in his already mentioned study of misanthropy. This question is asked almost in all research and is considered the classical measure of social trust. It runs as follows: *Generally speaking, would you say that most people can be trusted or that you can't be too careful in dealing with people?* How to interpret the responses to this question? According to Putnam (2000) the answers indicate the levels of social, generalized trust i.e. the attitudes to the trustworthiness of others. Unlike particularized trust, this is not about the assessment of the trustworthiness of the people we know, but about the general assessment of the trustworthiness of the people who live in our community. Though Putnam says that the answers provided are not completely unequivocal, nevertheless he thinks that they are the best possible indicator of the levels of social trust.[8] Putnam suggests that the results should primarily be interpreted as a reflection of actual social experiences of the respondents. The responses to these questions as a matter of fact show us how people perceive the society in which they live and whether they consider the people who live in their community reliable. He thinks that it is logical to assume that the attitudes of the respondents reflect the actual social experience and not some psychological predisposition to believe or not believe. According to Putnam, when people say that most people can be trusted, they are not hallucinating but talking about something that reflects their own experience.[9]

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[8] Putnam claims that the decreasing percentage of those who reply that most people can be trusted may be interpreted in two different ways: the first is that the respondents correctly conclude that trustworthiness today is much rarer than in the past, and the other is that the trustworthiness of others has not changed but that the respondents have become more paranoid.

[9] The response that most other people cannot be trusted i.e. distrust, also means a bet regarding the future behaviour of other people. In the case of expressing distrust this is a negative bet that implies negative expectations regarding the reliable behaviour of others. Such ex-

There is an interesting anecdote confirming his interpretation of the answers to the question on trust, the study conducted by the magazine *Reader's Digest*. This magazine sponsored a survey during which in 14 capitals of different European states 400 wallets were "lost". Each wallet contained 50 dollars and the name and address of "the owner". The percentage of returned wallets per state strongly correlates with the levels of social trust in those states, which brings Putnam to the conclusion that citizens accurately assess whether you can trust the majority of other people who live in their country.

The results shown in the table were obtained by means of secondary data analysis collected in the research whose primary subject was not social trust but which can nevertheless be useful for this paper. The paper will use several sources of data i.e. databases.

Two of these databases are linked and have the common intellectual source. In the 1970s a group of social scientists from a few countries decided to launch a research project that would consist of a longitudinal comparative research of the fundamental values of inhabitants of European countries. Soon these researchers founded the *European Values Systems Study Group* based in the Netherlands and in 1981 they conducted, under the title the European Values Survey or EVS the first survey that included the representative samples of the populations of ten West-European countries.[10] Another survey was carried out to see to what extent these values are subject to changes and whether there are any patterns of cultural changes applicable to most countries. This second survey was conducted in 1990 and encompassed about forty countries; among them were several states from Eastern Europe and a group of non-European countries; this second wave was labeled the World Values Survey or WVS. The organization of the research in the non-European and the East-European countries was coordinated by the eminent political scientist Ronald Inglehart and his name is most often mentioned in connection with the *World Values Survey*. In order to get a better insight into the values of citizens of transitional countries and the Third World countries there was the third wave of surveys in 1995 that, apart from the above mentioned countries, encompassed a smaller number of established European democracies and in which the *European Values Systems Study Group* did not participate, the reason why this third wave of research is called the *World*

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pectations foster the creation of defensive mechanisms such as distancing, avoidance and isolation which is, from the perspective of citizens' capacity for joint action very negative.

[10] The coordinators of this research group were Jan Kerkhofs and Ruud de Moor. The group included well-known social scientists such as Juan Linz and Elisabeth Noelle-Neumann. For more detail about this research project see http://evs.kub.nl.

Values Survey 1995-1997.[11] The fourth wave of this research began in 1999 and encompassed only European countries under the name the *European Values Survey 1999-2000.* This project is important because through four waves of research it enabled comparative data about chief attitudes, opinions and values of citizens of a number of – mostly – democratic countries. Thus a total of 64 states took part in at least one wave of this project.[12]

Croatia was included in two waves of this research, for the first time in the third wave, the *World Values Survey 1995-1997* (the survey was conducted in December 1995 on a sample of 1196 citizens). The research was coordinated by the Institute for the culture of democracy, and the coordinator was Vesna Pusić. The second research in Croatia was conducted during the fourth wave, the *European Values Survey 1999-2000;* the survey was conducted by an interdisciplinary research team led by Josip Baloban from the Catholic Theological Faculty of the University of Zagreb.

The third database that will be used in this paper contains the data gathered during the first wave of the European Social Survey or ESS coordinated by the Center for Comparative Research from London.[13] This research project is financed by the European Commission to probe the attitudes, opinions, beliefs and patterns of behaviour of citizens of European states, conducted on national representative samples. So far two waves of research have been carried out, 2002/2003 and 2004/2005, and the preparations for the third are under way.[14] The research encompassed 25 European states. Unfortunately, Croatia is not among them. Thus, in order to provide the third point of reference for the temporal comparative framework, the fourth database was used.

This fourth database contains only the data for Croatia collected within the project of the Faculty of Political Science in Zagreb under the title *Elections, parties and parliament in Croatia 2000-2010.* These are the data collected during the field survey on a representative sample of 1153 Croatian adults in November of 2003. This research, *Elections 2003,* was conducted

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[11] Detailed data on the first three waves of this research are published in *World Values Surveys and European Values Surveys, 1981-1984, 1990-1993, and 1995-1997* (Inglehart et al., 2000).

[12] Owing to the efforts of the *European Values Study Group* and the researchers from the University of Tillburg, the data for all four waves were combined into a single database and are available for the *on-line* analysis. The data are available on: http://www.jdsurvey.net/web/evs1.htm.

[13] Detailed information on this project is published in the *European Social Survey 2002/2003: Technical Report* (Jowell, 2003).

[14] The data collected in the first two waves of research are available for the *on-line* analysis on the following web page: http://ess.nsd.uib.no/.

on the eve of the parliamentary elections and its primary objective was to collect the data for analyzing the electoral behaviour of Croatian citizens.[15] Nevertheless, as it contains the question on social trust, it may be also used in this paper.

The question on the condition of social trust can be found in all four databases. In all four surveys the same question was asked: "Generally speaking, would you say that most people can be trusted or that you can't be too careful in dealing with people?"[16] The classical measure of social trust is the percentage of the respondents who choose the response that most people can be trusted.[17] In Table the state of social trust in Croatia has been given a spatial and comparative temporal framework.

The results showed in the Table lead us to several conclusions. The first is that the use of the temporal dimension shows that the levels of social trust are relatively stable i.e. do not change quickly. Within eight years, the average level of social trust for all the states included in the analysis changed for only three percents. When the countries are analyzed separately, then in some cases the differences in the levels of social trust between two measurement points are bigger than three percent. For example, the difference for Croatia and Italy is 11%, for Germany and Sweden 12%, and for Holland 17%. However, certain differences between individual reference points are expected and should be further analyzed as to the possible causes of these changes. The total results show that the levels of social trust in European states are relatively stable. Secondly, the results show that between individual European countries there are significant and relatively enduring differences in the levels of social trust. Thirdly, there is a clear difference between the established democracies and the postcommunist countries. The results

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[15] Detailed information on the main results of this research can be found in the book *Izbori i konsolidacija demokracije u Hrvatskoj /Elections and consolidation of democracy in Croatia/* (Čular, 2005).

[16] Some authors (e.g.Baron/Field/Schuller, 2000) claim that it is not good to measure social trust by means of a single indicator and that instead several indicators should be used. Also, they think that the standard question about social trust is flawed, as it allows for only a dichotomic reply. With due respect to these criticisms, it should be pointed out here that this measurement is used in most research which makes it convenient for comparative analyses. This fact does not mean that there is no need for developing more sophisticated measures of social trust.

[17] Some authors (e.g. Norris, 2001) are not sure about how to treat the responses of "Do not know" i.e. that the respondents are not sure if they should trust others. This paper makes use of the interpretation according to which the uncertainty regarding whether other people may be trusted in fact signifies a lack of that trust, so all the analyses are based on the percentages of those who reply that most people can be trusted.

from the table show that the difference between the established democracies and the postcommunist countries exists for all three reference points and that the levels of social trust in the postcommunist countries are almost twice lower than the ones in the established democracies. When we combine the levels of social trust for these two groups of countries, then the difference for 1995 is 21%, 14% for 1999, and 18% for 2003 (the average difference is 18%).

Table: Social trust 1995-2003: Croatia in comparative perspective

	% of those who think that most people can be trusted			
	1995	**1999**	**2003**	**Average**
Austria	-	31	31	31
Belgium	-	28	28	28
Denmark	-	64	67	66
Finland	48	56	59	54
France	-	21	19	20
Germany	32	36	23	30
Greece	-	21	15	18
Iceland	-	39	-	39
Ireland	-	35	39	37
Italy	-	32	21	27
Luxembourg	-	24	29	27
Malta	-	21	-	21
Netherlands	-	60	43	52
Norway	65	-	62	64
Portugal	-	12	15	14
Spain	29	36	27	31
Sweden	57	64	52	58
Switzerland	35	-	41	38
United Kingdom	29	28	29	29
Established democracies	*43*	*35*	*35*	*38*
Bosnia and Herzegovina	27	-	-	27
Bulgaria	24	25	-	25
Czech Republic	-	24	20	22
Estonia	21	22	-	22
Hungary	-	22	16	19
Latvia	24	17	-	21
Lithuania	21	25	-	23
Macedonia	8	-	-	8
Poland	17	18	12	16
Romania	-	10	-	10
Russia	23	23	-	23
Slovakia	-	15	-	15
Slovenia	15	21	18	18
Postcommunist countries	*22*	*21*	*17*	*20*
Croatia	23	20	9	17
ALL COUNTRIES	*29*	*29*	*32*	*30*

It is obvious that in the studies of social trust the category of postcommunism is useful because the differences between the established democracies and the postcommunist countries have endured almost fifteen years after the transition began. Without the control of the other factors, it cannot be said that the communist legacy is the chief cause of these lower levels of social trust, but the correlations between these variables suggest that such an interpretation cannot be dismissed but should be looked into by means of an additional analysis.

Where is Croatia's place in this comparative framework? The data from the Table show that in Croatia in the period between 1995 and 2003 there occurred a major erosion of social trust, particularly between 1999 and 2003. The measurements from 1995 and 1999 show that the level of social trust in Croatia was almost equal to the average in other postcommunist countries, but the data for 2003 show that that level was almost twice lower than the average in other postcommunist countries. Though there was an erosion of social trust in other postcommunist countries as well, the 11% erosion that occurred in Croatia – from 20 to 9 percent – is one of the biggest drops in the level of social trust between two reference points in all the countries included in the table.[18] With only 9 percent of those who think that most other people can be trusted, Croatia is a society with high levels of distrust.[19]

Unfortunately, the first systematic measuring of social trust in Croatia was conducted only in 1995 so that there are no data about what was happening in Croatia immediately after the collapse of communism. It may only be assumed that the level of social trust then was even higher than the 23% measured in 1995. This assumption is based on the fact that the collapse of the communist regime was followed by an eruption of nationalist sentiments and that most probably national solidarity reached its apex. The similar situation most probably existed in the sphere of political trust so that the new government, as it had replaced the old regime the citizens did not trust, en-

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[18] The data from the last measurement of social trust in Croatia should be taken with reserve. Namely, in the research carried out after early 1990s by researchers from the Faculty of Political Science, the question about social trust was asked for the first time (unlike many other questions from their other studies) only in 2003 so that the reliability of these results cannot be judged. Besides, Aleksandar Štulhofer in his paper (2004) also brings the data on social trust in Croatia, but again for 2003. His data are based on an international study *South East European Social Survey.* According to this study*,* 24 percent of Croatian citizens believe that most other people can be trusted. It is obvious that the difference between 24 and 9 percent is huge and that the future studies might look into which of these two studies – *South East European Social Survey* or *Elections 2003* – better gauged the level of social trust in 2003.

[19] Piotr Sztompka (1999) argues that in the societies with eroded social trust there are tendencies suggesting that the members of those societies are increasingly shifting away from the discourse of human action to the discourse which stresses faith, providence, destiny and alike. An indicator of this tendency in Croatia is visible in the recent betting fever.

joyed trust regardless of its performance. With time the remembrance of these negative events from the communist period faded i.e. the old regime lost its power as a point of reference on the basis of which the new government was assessed, and people began expecting some positive achievements. These positive achievements, due to a series of circumstances – primarily the aggression on Croatia and the misconceived policy of privatization – did not come easy. Added to this was the rise of unemployment and the growing social inequalities, so it was logical to expect an erosion of political and social trust.

Conclusion

Social trust is one of the most propulsive political science concepts of the last decade. A number of major research shows that it positively affects the democratic and economic performance in the established democratic countries but now also in the postcommunist societies. Unfortunately, that concept so far has not been systematically used in political science research in Croatia.

By using the spatial and temporal comparative framework the paper shows that Croatia is a society with high levels of distrust. Such a situation may be an obstacle to the further political and economic development since social trust is the basis of cooperation among citizens i.e. the informal forms of coordination that are, as a number of studies show, a major condition of political and economic advancement.

It should be added that in this paper the analysis of social trust in Croatia was studied from a limited, preliminary perspective; one of the main goals of the paper was to usher this subject into Croatian political science. Since this is primarily a exploratory study whose purpose was to identify the elements that need to be dealt with in future studies in more detail, the results should not be seen as a definitive answer to the posed research questions but more as a set of instructions for future analyses. In that sense this paper is only the first step in the direction of the future and more detailed political science analyses of social trust in Croatia. Since this paper has used secondary data analysis, it would be important to design a study that will primarily analyze social trust.

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