Foundations of social life: trust and trustworthiness

Given by D. Gambetta

Tuesdays, 11:00-13:00, Seminar Room 4, Badia Fiesolana

Open to: all researchers, visiting students, MW fellows and other research fellows at EUI

Topic: Trust matters in a wide range of interactions in which individuals would gain from cooperation, but (i) in which cooperation is threatened by opportunistic behaviour, and (ii) there is no third party enforcement such as that provided by the state, to guarantee transactions. In the first part, this course covers the properties of trust, the types and sources of trustworthiness, and introduces different ways of measuring trust and trustworthiness (1,2,3). Next, it presents how trust decisions are shaped by information (4, 5). Third, it shows how trust can emerge despite all odds among criminals and insurgents (6, 7), and how it is (counter-intuitively) affected by conflict (8). The last two classes deal with the interaction between trust and state enforcement, and trust and ethnic diversity (9,10).

Requirements for credits: short response papers discussing each week’s readings, active participation in every class; some may be asked to give a class presentation esp. in weeks 8-9

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<tr>
<th>Wk</th>
<th>Date</th>
<th>Title</th>
<th>Description</th>
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<tbody>
<tr>
<td>1</td>
<td>2 Oct</td>
<td>Trust</td>
<td>DG: Game theoretic definition; Trust components: beliefs, risk attitudes, betrayal aversion. Trust properties: asymmetries of motives, of test, of resilience. Links with notion of cooperation and other kindred notions</td>
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<td>2</td>
<td>9 Oct</td>
<td>Trustworthiness</td>
<td>DG: What makes people trustworthy: genetic kin; self-interest; reciprocity; pro-social dispositions e.g. fairness; social norms</td>
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<td>3</td>
<td>16 Oct</td>
<td>Measures</td>
<td>Sergio Lo Iacono (EUI): Survey and behavioural measures of trust and trustworthiness, advantages/disadvantages of each and how they can be combined.</td>
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<td>4</td>
<td>23 Oct</td>
<td>Trust and information I</td>
<td>DG: How do we discover whether someone is trustworthy? How do we persuade others that we are trustworthy? We use signalling theory even if we do not know</td>
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<td>5</td>
<td>30 Oct</td>
<td>Trust and information II</td>
<td>DG: Experimental evidence on trust decisions with and without information</td>
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<td>6</td>
<td>6 Nov</td>
<td>Trust and conflict</td>
<td>Krzysztof Krakowski (EUI): We examine how experience of intergroup conflict affects trust within and across groups. We explore whether the effect of conflict on trust varies between perpetrators of violence (combatants) and its victims (civilians).</td>
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<td>7</td>
<td>13 Nov</td>
<td>Trust among criminals</td>
<td>DG: How can criminals cooperate with each other given that they cannot trust each other? Lessons from the extreme of distrust</td>
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<td>8</td>
<td>20 Nov</td>
<td>Trust and Networks</td>
<td>Sergio Lo Iacono (EUI): Social networks can generate different reputational structures within a community, shaping trusting and trustworthy behaviours in various ways. We will focus on three main mechanisms: learning, control and spill-over effects.</td>
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<td>Week</td>
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<td>Topic</td>
<td>Presentation</td>
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<td>9</td>
<td>27 Dec</td>
<td>Trust and Family Background</td>
<td>Sergio Lo Iacono (EUI)</td>
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<td>10</td>
<td>4 Dec</td>
<td>Trust and ethnicity</td>
<td>Krzysztof Krakowski (EUI)</td>
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## Readings

### Week 1, 2 Oct Trust

**Required Readings**

- Coleman J. *Foundations of social theory*, chapter 5 (chapter 8, optional)
- Gambetta, ‘Can we trust trust’, in Gambetta (ed), *Trust. Making and Breaking Cooperative Relations*
- Luhman N. ‘Familiarity, confidence and trust’, in Gambetta (ed), *Trust. Making and Breaking Cooperative Relations*

**Recommended Readings:**

- Russell Hardin, *Trust and Trustworthiness*, chapter 1

### Week 2, 9 Oct - Trustworthiness

**Required Readings**

- Dasgupta P. Trust as a commodity, in Gambetta (ed), *Trust. Making and Breaking Cooperative Relations*
Russell Hardin, *Trust and Trustworthiness*, chapter 2

Ernst Fehr, Fairness and Retaliation, The Economics of Reciprocity, *Journal of Economic Perspectives* 14 (2000), 159-181 (with S. Gächter) (WS690, GS2399)

Annette Baier, Trust, Stanford Encyclopedia of Philosophy

### Recommended Readings


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<table>
<thead>
<tr>
<th>Week 3, 16 Oct – Measures (Sergio Lo Iacono)</th>
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<tr>
<td><strong>Recommended Readings</strong></td>
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Week 4, 23 Oct, Trust and information I

**Required Readings:**

- Yamagishi, T. 2001 Trust as a form of social intelligence. Pp. 121-147. in Karen S. Cook (eds.), *Trust in society*
- Seabright et al. A Model of Smiling as a Costly Signal of Cooperation Opportunities

**Recommended Readings:**

- Gambetta, Signalling, in P.Hedstrom and P.Bearman (eds), *Handbook of Analytical Sociology*

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Week 5, 30 Oct, Trust and information II

**Required Readings:**


**Recommended Readings**


Week 6, 6 Nov, Trust and Conflict (Krzysztof Krakowski)

**Required readings:**

**Recommended readings:**

Week 7, 13 Nov, Trust among criminals

**Required reading**
- Gambetta, *Codes of the Underworld. How Criminals Communicate*. Chapters 1,2,3

**Recommended reading**
- Eric Uslaner, Trust and Corruption, in J.Lambsdorff et al. (eds.) *The New Institutional Economics of Corruption*, 2004
- Gambetta, *The Sicilian Mafia*, chapters 1 and 4
- Gambetta and Reuter, Conspiracy among the many: the mafia in legitimate industries, in Gianluca Fiorentini and Sam Peltzman (eds.), *The Economics of Organised Crime* 1996 CUP

Week 8, 27 Nov, Trust and Networks (Sergio Lo Iacono)

**Required Readings:**


**Recommended readings:**


**Week 9, 4 Dec, Trust and Family Background (Sergio Lo Iacono)**

**Required Readings:**


**Recommended Readings:**


**Week 10, 11 Dec, Trust and Ethnicity (Krzysztof Krakowski)**

**Required Readings**


**Recommended Readings:**
