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Trust is a Choice

Prolegomena of Anthropology of Trust(s)

2013

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1 Introduction

The idea of researching the Anthropology of Trust(s) through the example of an Austrian company evolved due to the economic crisis. The real estate crisis in 2008 followed by the financial crisis and the resulting economic crisis led to unstable employment situations – not only in Austria. Short-time work was introduced and many employees and workers accepted a reduced salary to support their companies. Media were talking about a trust crisis. A Google search on 23 September 2009 listed 103,000 hits in 0.06 seconds for Vertrauenskrise and 49 million hits for trust crises in 0.8 seconds. Three years later in 2011 the daily news of collapsing national finances, increasing gold and oil prices and growing insecurities indicates that economic insecurity is not behind us, nor is it issue of re-fostering trust.

In this introduction I will outline the frame of this research, starting with a lead in to the state of the art of trust research and describing the research questions that I pursued. As I believe in transparency, I provide basic assumption that I had before I started to collect data. This is followed by a discussion of the procedures applied and how they were used to answer each research question. Next, the anthropological dimensions of this project are emphasized and I review the intended purpose. Finally, I provide the structure of this thesis for your orientation.

1.1 STATE OF THE ART RESEARCH ON TRUST²

Trust, a word so common to everyone, is nonetheless a broad and seemingly endless field of analysis. There is not a single definition of trust (Rousseau et.al. 1998: p. 394) which has been accepted by scholars from diverse backgrounds. However, there is agreement that the willingness to be vulnerable and confident in one's expectations are constitutional factors to trust relationships. Trust fulfills important functions such as: enabling cooperation (Gambetta, 1988), reducing complexity (Luhmann, 2009), decreasing transaction costs, and supporting response to crises (Rousseau et.al., 1998). Trust is dynamic and changes over time. As outlined later, it can be the cause and the result of social relations and exchange (Sahlins, 1968).

¹ On 19 January 2012 Google lists 291,000 hits in 0.37 seconds for Vertrauenskrise and 301 million for trust crisis in 0.26 seconds!

² State of the art research for business anthropology and trust are elaborated in the second chapter.

Many publications on the concept of trust across all disciplines (mainly psychology, economics, organizational behavior, political science, sociology) focus on theoretical aspects of this panhuman phenomenon, assuming that it is rather difficult to examine it empirically. "*Vertrauen ist bekanntermaßen ein empirisch schwer zugängliches Phänomen.*"³ (Hartmann, 2001: p.8) Bachmann (Bachmann, 2011: p.205) identifies three threads in economic literature: (1) psychology based and focused models (2) rational choice theory and game theory, and (3) morality based theories. All of them lack a discussion of the context. Nevertheless, it is common sense that trust is context-bound (Rousseau et.al., 1998: p.402), that culture shapes trust (Dietz, 2011: p.218) and, as argued in this paper, anthropology can offer valuable insights mirroring the complexity of social life.

The interrelation between economic structures and cultural norms were emphasized at an early stage in the discipline of anthropology (Malinowski, 1978; Mauss, 1954). "*[T]he market is a human phenomenon which we believe to be familiar to every known society.*" (Mauss, 1954: p.2) Anthropology has, as elaborated in the current paper, contributed one of the key concepts of trust of the science community: reciprocity. Disturbingly, anthropology itself provides little literature on trust.

Trust and business have been focused upon by economists and organizational behavior scientists and there have been many ideas published within the recent two decades. Trust in business relations, in co-operations, in mergers, in virtual teams, and in times of crisis are only some of the most important topics. The majority of trust research focuses on interpersonal trust (Bachmann, 2011). Much effort has been expended in defining trust and making it measurable and manageable. However, the basis for trust, why people trust each other, have been disregarded (Dietz, 2011: p.220). Sztompka (1999) points out that an exact definition of trust is no guarantee for an adequate contextualization. Hence, the theoretical discourse seems to be easier than the empirical validation of elements that constitute trust, and the relationships between these elements.

Business organizations have been the object of research for anthropologists⁴ starting 90 years ago with the Hawthorne Studies⁵. The field of business anthropology has evolved to a vivid sub-field of anthropology – mainly in the United States, it is also a growing field in Europe.

³ "As is widely known, trust is difficult to access empirically." (Hartmann 2001: p. 8)

⁴ Moreover, studies on organizational culture are mainly pursued by the disciplines of psychology and business administration.

⁵ Detailed information on the Hawthorne studies and the early days of business anthropology can be found in Roethlisberger (1947), Schwartzman (1993), Jordan (2003), and Baba (2006).

Hence, due to the interrelation between social structure, lived culture and economic life, the early observation of this in the discipline and the high interest in trust from the economic side, conducting anthropological trust research in a corporation was regarded as a good option for contributing to the current state of trust research and to provide an empirical case for the *why* people trust each other.

1.2 RESEARCH QUESTIONS

These research questions have served me as a guide in my research- and writing process and may serve as a roadmap throughout this dissertation.

- Which anthropological theories on trust do exist?
- How can trust be researched empirically with anthropological methods?
- What is the emic⁶ view on trust in a particular Austrian company?
- (What is the basis for trust? What is its significance? How is trust built up? How is it maintained? How is it restored?)

Last but not least, how can my findings be contextualized by the existing theories?

1.3 BASIC ASSUMPTIONS

The following considerations had an impact on the research questions and -process and therefore on the whole dissertation:

- Trust is an unconscious self-conception that people take for granted, rarely reflecting upon it consciously. Trust is an essential behavior and it helps to reduce social complexity. (Luhmann, 2009).
- I assumed that trust could be perceived by artifacts, spoken language, actions, spacial and bodily behavior.
- To complete research on trust successfully, the first necessary step is to establish a relationship based on trust with the informants.
- Trust between employees and managers and is visible as an example of how they deal with mistakes, the innovative energy and the communication flow among them.
- Social and cultural anthropology offer theoretical and methodological approaches to gain knowledge on trust. The ethnographic methods are particularly well qualified to uncover values, assumptions, and norms as well as actions.

⁶ An elaboration on the notion of emic can be found in section 1.4 – defining what it signifies in this paper.

I have been shaped by a postmodern anthropological attitude and engagement in interpretative anthropology. Hence, I am in search of understanding, meanings, moral tales and local rationalities (Johnson, 2000: p.139)

1.4 GENERAL PROCEDURE

Here is a short outline of my methods in seeking answers to my research questions:

To gain an insight into the field of trust research during my phase of conceptual work, I only scanned some of the most cited ones (Gambetta, 1988; Fukuyama, 1996; Baba, 1999; Covey, 2008, and Luhmann, 2009). This allowed me to discover that trust is primarily a theoretical abstract construction rather than the result of empirical studies. Moreover, I discovered a lack of definition of trust, but found instructions on how to manage it. This discrepancy between managing something unknown and the idea of manageability drew my interest.

Trust is an everyday characteristic of all human lives, and hence, of my own as well, therefore, I resisted the idea of reading too many of the available publications before conducting my empirical study. I wanted to avoid looking at, and hence, of discerning only those trust issues laid out and described by current literature.

In retrospect, I am glad I chose this procedure and followed Agar's approach because I was able to formulate my own conclusions and back them up. *"By academic rules, you're supposed to go to the library before you write, but I'm glad I didn't. I was able to get my own conclusions straight before I encountered the mass of material I found when I got home."* (Agar, 2002: p.11)

To answer the first question⁷ on the anthropological theory contribution to trust, I conducted an extensive literature review after returning from the field. I started with classics such as Sahlins (1968) and Mauss (1954) as the concept of reciprocity was repetitively found in trust literature. Moreover, I searched for trust & business anthropology and found Baba (1999). From then on I followed a snowball-approach and helpful hints from colleagues to find the few and spread anthropological discussions on trust.

Since trust is linked intensively to daily life, the anthropological methods are a good way of obtaining the material.

"Because ethnographers are directed to understand both what people say and what they do, it is possible to understand the way that everyday routines constitute and reconstitute organizational and societal structures."
(Schwartzman, 1993: p.4)

⁷ Research question 1: Which anthropological theories on trust are there?

To answer the second research question: how to research trust empirically I focused on my research experiences, which are described and evaluated in greater detail in chapter three.

I approached the third question regarding the emic perspective with an extensive period of ethnographic field research. The term *emic* goes back to the linguist Kenneth Pike. He distinguished emic (originating from phonemics and referring to folk models or folk explanations; Kephart, 2006a: p.809) from etic (originating from phonetics and meaning analytical models; Kephart, 2006b: p.869). This distinction raised a huge discussion addressing the issue of whether scholars can clearly rid themselves of their own cultural socialization and hence become like a blank sheet of paper, which permits only the absorption of the *emic* perspective on life, or whether we always perceive realities through our own cultural lens. Ward Goodenough (1970) and Marvin Harris (1976) contributed significantly to the discourse on emic/etic. Contemporarily, one could argue that this distinction is outdated or that I am applying it wrongly. However, as Thomas N. Headland (1990: pp 20) outlines, there is no single correct and entrenched notion of emic and etic in anthropology or beyond the discipline. Nevertheless, I use the term *emic* to describe the focus on the notion of trust at Wire Inc. nourished by the explanations from my informants and complemented by my observations; i.e. grasping the significance and the mechanism of trust at Wire Inc. This follows the idea that each organization develops social and cultural structures of its own which might be influenced by the surrounding local culture but may not necessarily reflect it. Indeed, even anthropological research within one's native country can bring up new and unknown concepts.

I did not start my research with a set definition of what trust is but I immersed myself in the quest for discovery. This notion of emic can be traced back to Pike: however, cultural particularity was not his sole characteristic for emic. Trust – as outlined later – is a native notion and an analytical concept. The first allegorizes emic and the latter etic. The term emic is used in a research question to emphasize an interest in finding the insiders' perspective. It contrasts with the (ethnocentric) concepts of trust that often miss the purport of the people involved. How then, can an immersion into the insiders' perception be achieved? "*One of the defining characteristics of ethnographic research is that the investigator goes into the field, instead of bringing the field to the investigator.*" (Schwartzman, 1993: p.3)

I conducted extensive ethnographical research in the company for a period of 18 months. This accommodated both the thought of a dynamic corporate culture and the context of the economic cycle. My step-by-step and situation-based evolving design (Neyland, 2008: p.12) allowed me to react

flexible to the actual situations in the field (Gamst, 1997: p.4) to include all levels of the hierarchy from the owner to the apprentices (Baba, 2006: p.107) and hence, to capture the emic perspectives on trust.

My research provided me with a great many varying data types (Holiday, 2002: pp. 71):

- Description of behavior (shadowing reports)
- Description of events (meetings, celebration of long-term employee-relationships, employee farewell celebrations, year-end-party, employee-information-events, staff outings)
- Description of institutions (the after-work pint, rules of security and safety, informal rules)
- Description of appearance (buildings, offices, construction zones, clothing of the people, description of artifacts and the arrangement of objects, e.g. cars and people)
- Description of research events (interviews, group discussions, inquiry of social networks)
- Accounts (emails from informants)
- Talks (verbatim notes, observation notes, recorded data)
- Documents (used and produced in the company such as the company magazine and reports)

In the conclusion, my empirical findings are placed in the larger scientific context of the community.

1.5 ANTHROPOLOGICAL DIMENSIONS OF THE RESEARCH

Trust is found in all societies (Baba, 1999: p.333); however, the definition and the subjacent rules and expectations differ. Hartmann (Hartmann, 2001: p.8) talks about the difficulties of conducting empirical research on trust. As anthropology focuses on daily life issues and on bringing to light hidden social and cultural structures (the iceberg below the water surface) I assumed that anthropological tools and methods would provide the ideal approaches for digging into the emic perspectives on trust.

Moreover, trust is genuine to empirical anthropological research – without establishing trusting relationships with informants; we are not able to conduct qualitative empirical research – no matter what is our field or the topics we discuss. Methodology handbooks usually include at least a paragraph on the relationship (management) between researcher and informants. Hence, the examination of trust issues, at least in the personal reflections on one's own research process, might well be part of the majority of anthropological projects.

As mentioned earlier, anthropologists have provided a widely cited theoretical contribution – the concept of reciprocity – to trust research.

Discussing this framework and building on it is another anthropological dimension of this thesis.

Business anthropology interfaces with other sciences such as sociology, history, applied economics, psychology, political science and communication science (van Maanen, 1998: p.x). Although the research design followed the (unwritten) rules of an anthropological PhD-project, confines might have been broken by the following two issues. First, I drew from my own professional background which includes a business management education and working experience in business environments in addition to my anthropological training and, second, the fact that my second tutor is a well-known researcher of organizational theories and group dynamics. Nevertheless, anthropology has never been a field in which blinders are worn, especially during the early days of this discipline. In my case, the application of knowledge from these affiliated fields of group dynamics, organizational development, and business management contributed to this dissertational project in many ways: a contextual understanding, a different view of organizational process, the understanding and use of proper vocabulary in the field, and an extended scope of methods (the sociogram).

1.6 PURPOSE

Trust has been a widely addressed topic in recent years, even in scientific anthropology. I intend to give a thick description of the emic and etic perspectives on the topic of trust in Wire Inc.

"A thin description simply reports facts, independent of intentions or circumstances. A thick description in contrast gives the context of an experience, states the intentions and earnings that organized the experience, and reveals the experience as a process." (*Denzin, 1994: p.505*)

Moreover, my goal was to provide an overview of the existent anthropological theories on trust. I tried to group them and then to complete them with contemporary research.

In addition, my aim was to contribute to the small but growing niche of business anthropology, which displays the potential of applied anthropological research to contemporary issues, despite discipline boundaries. I hoped that the use of an applied approach would also benefit the participant company and its members.

Last but not least, I pursued the development of my ethnographic competencies, and enhancing my research by means of my applied experiences, and offered ideas on how to conduct research on the topic of trust.

Hirsch and Gellner (2001: p.9) define quality criteria for good ethnography building on a list from Bate (1997)⁸ and I aimed at fulfilling them:

"1. conveys the sense of 'being there' (...); 2. produces details and conclusions that are unexpected (...); 3. reflects the polyphony –the multiple voices – of the real world; 4. offers a model and a theory; it is not just for entertainment; 5. contextualizes its findings (...); 6. pays attention to questions of power and inequality by examining the ways in which some participants' voices and models prevail over others' (...); 7. emphasizes both what people say and what they do, and looks for connections and disconnections between the two (...); 8. does not restrict itself to 'front-stage performances' (...); 9. looks closely at how language is used (...); 10. is reflexively aware of the ethnographer's ambiguous position (...); 11. does not simply seek confirmation of what is already known (...)."

Notwithstanding, it is up to the readers to judge if I accomplished these goals.

1.7 STRUCTURE AND LANGUAGE OF THE DISSERTATION

Following the triad of my research questions the dissertation has three main chapters: the theoretical contextualization, my methodological approach to the research of trust and the ethnography of Wire Inc. The theoretical section allows a macro-level approach, whereas the ethnography presented in the fourth chapter is a micro-level example. The thesis closes with a chapter of resume and a personal account of how research may impact one's life.

The field of business anthropology is clearly dominated by English language publications. As I am interested in contributing to the growing global pool of publications in this sub-discipline and thereby allowing further exchange on and discussion of my findings I chose to write in English. The language of research was Austrian German. To facilitate greater comprehensibility for any German-speaking reader of the informants' daily world I decided to use the original quotes in the text; always followed by a translation, either directly in the text or in a footnote. Field notes, however, were mostly translated all at once.

The English language offers two terms: mistrust and distrust. Although they translate the same (*Misstrauen*), distrust is stronger than mistrust and involves the belief that the other cannot be trusted, rather than through a slight suspicion (mistrust) (Oxford Advanced Learner's Dictionary, w. y.).⁹

⁸ Points 1 to 4 are ascribed to Bate.

⁹ Scholars might use it with different meanings (Isaacs, Alexander &Haggard, 1963).

Although I am eager to giving word to different perspectives on trust at Wire Inc., I am aware that the description and analysis in this paper are still my perceptions and my interpretation of the social structure and the corporate culture. I am grateful for the assistance of the people, who helped me to understand their world, and our lively discussions of my observations. For any misrepresentation I take full responsibility.