

### Book review of "Trust and transitions: social capital in a changing world"

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## Book review

**"Trust and Transitions: Social Capital in a Changing World", edition prepared by Joseph D. Lewandowsky and Milan Znoj**

*Cambridge Scholars Publishing, 2008*

Starting with elementary reflection what trust means for human being and what trust generates in people daily-basis social relationship, the contributors of the volume "Trust and Transition: Social Capital in a Changing World" widely cover the nature and function of trust' perception within the framework of social capital theories. Even though the trust has repeatedly been defined in a broad variety of human disciplines as a key factor in prosperous ages of humankind, one more repetition in this sense, with contemporary add-value treatment, enriches definitely our visions upon this notion. This precise aspect makes the book valuable.

Twelve articles selected in this volume are full of diversities and uniqueness in the same time, filled with a range of empirical and theoretical approaches. The chapters having empirical approach emphasized investigations many cases and situations on post-Communist countries experience. Most examples are dedicated to Serbia and Montenegro, Romania and, especially, the Czech Republic. The theorizing chapters took up our attention towards the clear sense of trust that, apparently, we know about it a lot of things, but so less time we dedicate to origins of this fact, motives of its existence, how it works in contemporary society where everything is bought and sold. Here we find out the space to which current meanings of social capital can be correctly utilized in various contexts. Building reversed-pyramid with the facts we stored after reading this book, we observe what nowadays social capital collects inside: we start the pyramid from the peak having the "trust" on the top of human beliefs (small space) and then go up to the body foundation of the triangle (big space) of trust specifications and deviations. In other words, the book is connecting many facts from different countries engaged in transition in order to differentiate or to make similarities on meanings of the trust, social capital and networkings in post-soviet time.

One of the authors brings up to our attention the corruption tendencies and effects presented in many countries transited from old soviet mentality to market economy when discussions are taken place around social capital in theory and social capital in practice. Products of societal needs are topic of debate here. Information and surveys inserted skillfully in tables provided are great of useful for those who want to research the economic and social development of one particular country from Central and Eastern Europe and need to draw their conclusion based on particular human level relationships. For example, in first chapter, Eric Ulsner emphasized his attention on Romania and the role of informal networks under conditions of widespread social distrust. According to him, such informal networks helped people to get things that in communist regime were not possible to get on ordinary basis. He believes that this fact fostered a rich culture of corruption that continues even today. Gift payments to doctors and government officials become something normal. On the other hand, Ulsner doesn't connect this fact of life to psychological aspects of human being who have just the need to be grateful in any circumstances when his need is satisfied. It is understandable why this aspect was not taken into consideration. Surveys including specific questions about the role of informal connections in obtaining some services, as for example business bargains or bank loans, as well as dealing with police, doctor or courts, can only conduct to results linked to one specific target the author pursued – whether the citizens of a transition country see the success of their market-based democracy by the dominance of a strong informal sector or not. Author's conclusion is one – informal flows on any scale and levels are stopping to develop the creation of social capital. Trust based on social capital is different from trust based on informal networking.

The usage of personal relationships in informal systems of exchange brings consequences for economic growth. This argument was reasoned by Iva Bozovic who focused her research on Serbia and Montenegro experiences. Moreover, her research was conducted with in-person interviews from business arena, elucidating usage of social networks among managers and owners of small and medium enterprises. Types of networks, roles and motives of such ties, advantages and disadvantages are arguing here by concrete examples taken from real cases. According to article, there are networks of relations and networks of connections. The connections are highly transitive and return the favour-orientated. On the other hand, the most lucrative ties are reserved for the closest relationships and cannot easily shared with others that makes this kind of connections more difficult to access and more closed to outsiders. Hence, the difference between networks of relationship and networks of connections is researched too in dialogues with managers and owners from Serbia and Montenegro. The article highlights the transaction cost elements, the personal and impersonal exchange' roles. It says that during the socialist period, the informal system of networks penetrated the formal one in order to abuse it. State resources were exploited; therefore the consequence was the ambiguities of economic policy. The author describes so well, quoting other researchers, how the private property become private when post-communist reforms took place such as privatization and restructuring. Those who are occupying positions of access to state-owned property practically "grab" resources in order to trade with them

informally. Through several examples given in this book it is becoming more understandable today why the informal system is still complimenting the formal one. As a result of the author's study, the certain conclusion says that a complete shift from personal to impersonal exchange is not desirable by those who are implicated in this process. Some business deals were showed to be efficient when using personal relations and this kind of exchange is not associated with significant social costs, author mentions. However, she is convinced that the usage of connections in conducting network exchange can have negative implications for social welfare, because some of the social costs identified in the study have been showed as extremely high, being as a violation of market principles. This generates distrust in society. Author recommends the strong need to improve state building capacity. As for only business platform, author thinks definitely that connections will be always used if this helps to cut costs of deals.

Other article of the book belongs to Gregory Streich, who brings together the recent work in social science and political philosophy in an attempt to explain some of challenges facing countries in transition to market based economy. The author gives analytical clarify to the notion of deliberative social capital, analyzing if this is a product of deliberative democracy or social capital. He seeks to understand values of social capital. Concretely, how it promotes processes of democratization. Interesting idea is that democratic potential of deliberative social capital can be tested in the future, in the same time arguing that this future is hard one and only in these precise conditions it will show us a result. Networks and ties based on social solidarity and cross-group mobilization played a crucial role in ending communist's regime, but he argues that nowadays such forms are no longer sufficient in order to play an important role in changing radically something. In this article, readers can find out the potential answers to questions regarding this year political campaigns riots in many countries and virtual networks which mobilized the people on the streets according to some points of views. Conclusion is that deliberative social capital is a distinct form of social capital that had the potential to further consolidate democracies in CEE and other transition countries: "if norms of trust and reciprocity do not exist in a society, they can be generated via deliberative forms of politics within a vibrant civil society comprised of inclusive, connected civic organizations, mediating groups and even deliberative polls". Appropriate remark is that networks are as the same as the opportunities, resources and public goods – should be accessible to all people in one society.

A complex analysis of relationship among transition, justice and trust in the context of South Africa's experience is made by Max Pensky who is convinced that lessons learnt from Africa's brave example will help the readers to know how, for example, the amnesty does and does not work in the context of the historical events where amnesty for crimes against humanity during the apartheid era has been offered. Success in transition, in fact, is determined by the dynamics of national solidarity and the role of nationhood. It is curious that the author highlights on challenges the society faces, the measures takes in order to overcome these challenges and then what general effect as a consequence this situation brings in order to unify by the end common interests of one society. In comparing with other authors, he starts his reflections upon trust through the perspective of society transition features and then he comes upon the idea of social capital as a emergence aura. Civic trust and national solidarity, Pensky writes, are not just functional requirements for social integration with a nation-state, but also are the normative basis for what counts as transitional justice for the nation-state. Renewing broken civic trust and national solidarity in periods of transition inevitably entails remedying the fundament for national identity. Such a reconstruction is best accomplished in a pincer-like approach to creating social capital. There must be an administrative effort to a create solidarity and institutional trust, understood as rights-protected implication in the institutions of democratic deliberation. As for author's statement, not only responsible level of the society, but ordinary people too, must cultivate a street-level social trust and the legitimacy of good governance through sharing of their practices.

In his article "Elites without borders: reflections on globalization, stratification and social distrust", Joseph D. Lewandowski, analyzes to place Marxian theme about civil society in the current context of contemporary political economy and contemporary theories, emphasizing on globalization realities. He argues, in particular, that globalization has opposing effects on elites and populaces. It embeds elites, producing networks of social capital. This networks has been called by author networks of "elites without borders". Globalization also tends to re-embed everyday people, producing impoverished links, respectively "people without power". The result is that transitional elites evade popular democratic control. In this chain of ideas, claims for democracy without borders are debatable. While elite social capital grows, class-based social distrust also grows all around the globe. For the author, finding ways to tame existing globalized mechanisms of stratification and social distrust is decisive for realizing the democratic potential of contemporary civil societies which are and already passed over transaction periods.

In comparing with other authors who attempted to measure the source of civic solidarity by polls and surveys, Pavel Barsa, argues in his article that adequately the nature of trust can be rethought as creative actions and practices of "radical and pure trust".

Research articles on social capital in Czech Republic from second part of the book have been compacted into 6 different works of local experts focused on contemporary perspective on trust, conceptualizing and arguing the measurement model that identifies and distinguishes dimensions of social trust. Among dimensions mentioned, one is

reflexive social cooperation of popularized trust in a society. Other one, seen in the terms of methodological individualism, involves capacities of individual person to participate in informal networks with the scope to reciprocally benefit from what the network is ready to give. The researchers of the first article prepared 6 questions, from which 3 of them assess a degree of so called generalized trust and other 3 questions ask about people's participation in informal networks based on mutually beneficial exchanges. The sample of 1.200 randomly selected respondents represents the Czech adult population aged 18 years and older. One of the results shows that social capital defined as generalized trust is different from country to country. Authors offer plenty of interesting reporting facts on various strategies people use when face with negative externalities, giving example not only from East-Central European countries, but also from Russia with the reference to O'Brian research. The book also covers such topics as the trans-generational perspective on social capital focusing on youths; inter-generational differences and connections over time in trust, civic engagement, participation in extra-curricular activities among parents and their children. One of the analyses reveals significant inter-generational transmission of social capital, in particular, participation in extra-curricular activities represents, according to author, a strongest mechanism for civic participation in the Czech Republic. On the other hand, other authors from second part of the book aimed to test the hypothesis that interpersonal trust should be connected to mess formal membership in voluntary organizations and more to be considered non-institutional participation based on collective action. This fact was examined by using survey data and regression analysis with 3 types of participations: voluntary organisational membership; social and political manifestations, such as donations activities or demonstrations; and political institutions. Using only 2 from 3 standard surveys' research questions, such as 1. Generally speaking, would you say that people can be trusted or that you cannot be too careful in dealing with people? and 2. How often do you think that people would try to take advantage of you if they got the chance and how often would they try to be fair? - authors decided to offer to responders, not only yes-no scale answers which in fact allowed them to distinguish between absolute and relative agreement and disagreement with the statements. For example, the book says that as for the first question posed in the World Value Survey conducted in 25 European countries and USA in 2000, the level of interpersonal trust in the Czech Republic is roughly in the middle of all the countries surveyed, but below the overall average. It is one of the highest among the post-communists countries. The curiosity rises when, by result, we observe that 2% of people chose the answer "can always trust" that, according to authors, shows half of the overall respondents expressing absolute trust towards other people. To sum up other of book's articles, it can be said that "civil society has been thrashed by a neo-liberal state and capitalist economy" (Joseph D. Lewandowski and Milan Znoj) which were unavoidable in Czech Republic. Author Milan Znoj says that capitalism introduced innovations, industrial developments and commerce into the all area of social life, on the other hand civil society was omitted from the process of building democracy from the beginning and there is hope that theoretical conceptions of the civil society which explains how citizens learn to cooperate, to accept commitments towards other people restricting their own interests for the democratic values will serve as an inspiration for post-communist modern civil society. The author states that there is a difference between the old and new democracies in Europe. Some authors share the argument that the effects of civil society-based associations cannot be researched separately from the broader social and political event. One of the conclusions stated that some surveys suggest the fact that new elites of the society is in fact the similar to the previous ones and contemporary government is considered even more morally corrupt than those of the communist past. The book ends with two articles which first examines historical sources of civil associations and "associational traditions" from 1860-1948 (Marek Skovajsa) and second is emphasizing on the history and present of the Sudetenland in the context of sufficient conditions for the growth of social capital (Ondrej Matejka). With its difficult history, according to Matejka, the Sudetenland constitutes a kind of laboratory for the study of social capital creation. He outlines 3 preconditions for the successful development of democratic social capital: the existence of reliable order for the functioning of the society, the existence of local patriotism, the presence of enterprising activists who initiate and organize social life.

Methodology used by authors of this book is diverse one: from technical surveys and extended polls to in-person interviews and people testimonies. The book "Trust and Transitions: Social Capital in a Changing World" is worthy to be read. As many of authors were mentioning further researches are needed to investigate other aspects too, as for example the degree to which personal exchange is used in order to block institutional change. In this sense, the book plays a role of intermediary researches for salting new stage of investigations.

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#### Notes:

1. The book "Trust and Transitions: Social Capital in a Changing World", edition prepared by Joseph D. Lewandowsky and Milan Znoj is composed from two parts: I. Trust and Transitions: Social Capital in Theory and Practice and II. A Velvet Transition? Social Capital in the Czech Republic , each of one integrates 6 chapters representing one article per chapter:

2. Review facts have generally been related also to conclusions of Joseph D. Lewandowsky and Milan Znoj from the introduction in order to keep accuracy in presenting meanings of trust explanations and due to consultative reasons.