Richard Lachmann

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Why do people trust each other? This book offers a theoretically elegant, innovative, and empirically rich answer to that question. Papakostas brings his personal experience, as someone who grew up in Greece and has made his career in Sweden, to the analysis. He presents Greece as a country in which citizens generally do not trust the state and where clientelism or corruption is widespread. In contrast, he sees Sweden as a nation of high trust in the state and low corruption. Papakostas wants to explain these national differences, but he also is attentive to, and offers analysis of, changes within countries over time and variations among institutions and actors within the two countries.

Papakostas traces the development of the Greek and Swedish states. He shows that both the Swedish and Greek states developed before industrialization, but in very different forms. Swedish nobles had de facto ownership of state offices, which served in the long run to insulate the Swedish state from political parties. As Sweden industrialized, nobles became capitalists and were replaced by civil servants who maintained their aristocratic predecessors’ distance from parties and clientelism. In Greece, nobles and other elites failed to build an economic base outside the state after independence. Elite control over state offices thus became stronger rather than weaker in Greece: “in Greece the apparently looser intertwining of state and pre-capitalist economic activities proved to be more pervasive, keeping alive the mentality that public goods are exchangeable and the attitude that rules are negotiable” [p.95].

How do the differences in Greece and Sweden’s historical trajectories matter? Papakostas argues that clientelism depends on demand as well as supply factors. He criticizes previous work that he regards as too one-sided. Thus, he sees Martin Shefter’s Political Parties and the State [1994] as too narrowly focused on the supply of patronage created by the historical development of parties and states. For Papakostas, such an approach fails to see that patronage is a market that exists only in the interaction of supply and demand. Thus, even though Greece had “institutional barriers between the state and political parties” [p. 99], that in itself was not enough to curb patronage. “Given that interests were defined in local or kinship terms – the demand side in Shefter’s terminology – institutional safeguards to insulate the bureaucracy had the effect of creating move distance between the citizen and the state, thereby giving more space to political entrepreneurs to mediate between them” [p. 100].

Papakostas is most original in his discussion of the demand for patronage/clientelism. Most work on this issue has seen support for patronage in enduring cultural traits. This sort of simple-minded argument, most popular in anthropology but also of continuing interest among sociologists who study disadvantaged and isolated communities, assumes that corruption is pre-modern and lessens as societies and social groups become integrated into modern, bureaucratic institutions and markets. Yet such arguments remain at a highly general and vague level. There is no mechanism offered for why local or
traditional preferences for clientelism survive or how bureaucracy undermines corruption, or for the unevenness of non-corrupt bureaucracies.

Papakostas shows that trust is based on information. He gives the example of a Swedish firm that sends products for resale to a woman in a distant Swedish city without demanding advance payment. Why does the firm trust the woman to pay later? Papakostas notes that Sweden’s bureaucratic state fosters trust by creating a body of information that allows the firm to locate the woman and to gather enough information about her to ensure future payment. Similarly, technologies that allow states or individual citizens to track property ownership as well as the identities of people they encounter allow relationships of trust. Trust, thus, is related to distrust. Technologies (such as keys) and procedures (such as oral and public dissertation defences) develop out of distrust (that someone will enter one’s home or office and steal or that a dissertation was ghost-written and is not the work of the doctoral candidate). Success in neutralizing those one distrusts (by locking them out or making them demonstrate orally their knowledge of the dissertation they claim to have written) creates bases for trust.

Papakostas’ ‘good fences make good neighbors’ theory applies at the organizational as well as individual level. He asks why there was an increase in corruption in Sweden after 1980. Sweden’s culture did not change in ways that cultural explanations of corruption would predict. Rather, change happened at an organizational level. Firms and state offices both became disembedded as public officials’ careers were restructured to allow them to move among agencies, thereby creating personal networks of connections across offices, and as large, family controlled Swedish firms became run by managers who achieved autonomous control over the divisions they headed. These structural changes gave bureaucrats and managers the autonomy to engage in corrupt exchanges.

A similar process has occurred in Swedish mass organizations. Papakostas critiques the literature that attributes declining party membership and political involvement to personalistic factors, such as Robert Putnam’s emphasis on television watching. In essence, Papakostas says, Putnam explains apathy in civic life by describing apathetic behavior in private life. “Civic characteristics are explained by civic characteristics” [p. 134]. In actuality, Swedish political apathy is the end result of a process of organizational transformation. Organizational leaders achieve gains by directly negotiating with state officials or business managers, obviating (at least in their view) the need to mobilize members. Modern communications technologies (like television or the internet) allow organizational leaders to communicate with the mass public without needing members to go door to door. Activist members resist organizations’ professionalization and narrowing, but even in Sweden where mass organizations are of long-standing and embedded in rich social networks, organizational activism diminishes. The new social movements never or only briefly became mass organizations and instead are professionally led. (Papakostas could have drawn on Theda Skocpol’s extensive research on how that transformation from mass member to professional organizations has proceeded in the United States since the end of World War II).

This book is a valuable contribution to both the study of trust and to state theory. Papakostas rightly notes that the state is largely absent from past work on social capital. He shows how the creation of and variations in trust and distrust are products of complex and historically contingent interactions between states and other large-scale institutions.
on the one hand and personal networks on the other. This book brings the state back in (or more accurately brings the state in for the first time) to the long history of the construction of trust and distrust. For that reason, it is a pity that Papakostas did not address Charles Tilly’s book, Trust and Rule [2005]. Tilly shows how states orchestrated and benefitted from the creation of certain forms of trust. Tilly, unlike Papakostas, sees distrust as the product of anonymous structural forces, but Tilly’s analysis of the state’s role in trust networks both complements and challenges Papakostas’ analysis. Tilly sees state elites as more calculating than does Papakostas and therefore assigns a lesser role to the unanticipated effects of organizational changes. It would be wonderful to read what Papakostas has to say about that aspect of Tilly’s work (other of Tilly’s writings are addressed). Nevertheless, despite that omission, this book is a rich and worthwhile contribution. Readers will find insightful critiques of past work and will encounter original theories with which they can debate and enrich their own work across a variety of topics and fields.

Richard Lachmann
University of Albany, State University of New York

References
