



Collegium Budapest
Collegium Budapest

search ColBud her

Search

Search Fellows [HERE](#).

[Overview](#)

[Academic Programme](#)

[The Fellows](#)

[Publications](#)

[The Site](#)

[Library](#)

Focus Group Honesty and Trust

Theory and Experience in the Light of Post-Socialist Transformation

Convened by Susan Rose-Ackerman, Henry R. Luce Professor of Law and Political Science at Yale Law School and János Kornai, Allie S. Freed Professor of Economics, Emeritus, at Harvard University, Permanent Fellow, Emeritus, at Collegium Budapest

Focus Group Participants:

- Susan Rose-Ackerman (convener), Law, Political Science --Yale
- János Kornai (convener), Economics --Budapest/Harvard
- Bruce Ackerman, Law, Political Science --Yale
- Larissa Adler-Lomnitz, Anthropology --Mexico
- Karen Cook (visiting scholar), Sociology --Stanford
- Bruno Frey (visiting scholar), Economics --Zurich
- Russel Hardin, Political Science --New York/Stanford
- Joel Hellman (visiting scholar), Political Science --Washington
- Cynthia Horne (visiting scholar), Political Science --Washington
- Ivan Krastev (visiting scholar), Sociology --Sofia
- Margaret Levi (visiting scholar), Political Science --Washington
- Antal Örkény (associate fellow), Sociology --Budapest
- Margit Osterloh (visiting scholar), Economics --Zurich
- Martin Raiser (visiting scholar), Economics --London
- Bo Rothstein (visiting scholar), Political Science --Goteborg
- András Sajó (associate fellow), Law --Budapest
- Piotr Sztompka, Sociology --Krakow
- Alexandra Vacroux (junior fellow), Economics --Harvard/Moscow

For a more complete description of the project and a list of participants please consult the project's web site at: <http://www.colbud.hu/honesty-trust>.

In Eastern Europe and the Former Soviet Union the transition away from a planned economy and an authoritarian state has been in progress for over ten years. Tremendous changes in the operation of the economy and the organization of the state have occurred. Yet deep problems remain. Increasingly, a split is developing between countries that are candidates for early European Union membership and other countries farther to the east. This division shows up in measures of poverty and economic growth, but it also is visible in measures of democracy, bureaucratic functioning, the rule of law, corruption, and the operation of markets. The recently democratized countries of Central and Eastern Europe suffer from problems of political legitimacy and institutional quality. One symptom of this is low levels of honesty and trust. High levels of distrust, dishonesty and corruption affect both private relations between individuals and businesses, and relations between citizens and state officials.

Countries in a transition from socialism face particular problems in developing habits of trust and honesty. Under the previous system, government institutions had become discredited in the popular understanding. Lying was acceptable and even praiseworthy in the face of illegitimate power. Trusting relationships extended little beyond one's close family and friends.

The transition to the free market and democracy increased the opportunities for private gain, but the law lagged behind, and the transition failed to establish many of the informal habits and practices that supplement the law in developed countries. Many close observers of the transition process now recognize that the rush to privatize and open the market underestimated the importance of establishing legal structures for the development of a modern economy. Democratic constitutions have been established almost everywhere, but other aspects of law reform have been less prominent.

The project overlaps with the current debate over civil society and earlier work on the role of the nonprofit sector. The institutional challenge involves not just the reform of public bodies and the development of the for-profit sector but also the creation of voluntary associations and nonprofit organizations. Some claim that societies with a rich variety of voluntary associations encourage civic engagement. Others focus on citizen associations with a clear political or policy agenda that operate outside of the political party framework. In the Eastern European context one thinks of environmental, human rights, and anti-corruption

groups. Thus one can ask how the development of such organization is facilitated by the societal level of trust, and whether they can, in turn help produce higher levels of cooperative activity.

In the study of transition economies one needs to distinguish between true transitional phenomena that can be expected to disappear as the new states become more established and deeper structural problems that will not necessarily evolve in a favorable direction but that need self-conscious exercises of political will. Some of the difficulties faced by the current regimes are not just temporary growing pains but represent more fundamental problems. One important research task is to determine whether public attitudes are a reflection of underlying problems or are simply a holdover from the past. Furthermore, reforms need to focus on ways to economize on trust and to overcome narrow groupings based on trusting, personal connections that control key areas of economic and social life. In other words, one needs to distinguish between trust in individuals who will favor you personally and trust in institutions that operate with fairness and openness.

This is a broad research agenda, and the project cannot cover all these issues with equal facility. Nevertheless, we have begun with a comprehensive view of the issue at the intersection between theory, empirical work, and policy. The ultimate outcome depends upon the talents and interests of the scholars we have managed to attract to the project and to the Collegium.

Szentháromság u. 2
H-1014 Budapest
Tel: +36 1 224 8300
Fax: +36 1 224 8310

info@colbud.hu