

INTRODUCTION



If I asked you how important trust is in your life, I have no doubt you would say it is essential. We intuitively understand that trust is a critical foundation that allows us to form new friendships; find a partner, job, or home; start and run a business; and engage in any number of transactions, especially in the internet economy. But even though we are all acutely aware of the importance of trust, a growing body of evidence reveals that we consistently misjudge the trustworthiness of other people—and we are even worse at defending our own trustworthiness when it comes under fire. The really bad news is that this problem seems to be getting worse, not better.

A 2019 report by the Pew Research Center found that 64 percent of respondents in the United States felt that their trust in one another has diminished, and 75 percent indicated that their trust in the federal government has diminished. A large majority also indicated that this diminished trust has made it harder to solve many of the nation's problems and that it was very important for the country to improve these plummeting trust levels.¹ A 2021 report by the United Nations Department of Economic and Social Affairs likewise concludes that although people's trust in institutions varies significantly across countries, there has been a broad decline in that trust worldwide since 2000.² The percentage of the population across three broad parts of the globe (which the authors referred to as Afro, Euro, and Latino regions) who expressed confidence in their national government or parliament dropped from a peak of 46 percent in 2006 to just 36 percent by 2019. Moreover, trust in financial institutions across these countries has dropped from 55 percent to 46 percent over the same period.

It might therefore be surprising to hear that the fundamental problem with trust in society is not our failure to establish it. We actually tend to exhibit quite high levels of trust in those we don't know, and that is a good thing. This high initial trust makes it easier to make friends, change jobs, and

venture outside our homes without wearing a bulletproof vest. Instead, our problems with trust arise because that high initial trust is also exceedingly fragile. It can take just one questionable incident, unsubstantiated allegation, or quietly whispered rumor for trust to be damaged. And despite how easily and often trust can be violated, we know surprisingly little about how to respond effectively when that happens. Even worse, our natural reactions to such incidents quite often fail to help and can even make the repair of trust less likely, as an ineffectual apology or defense can reinforce the notion that mistrust was warranted in the first place.

When I began my career as a social scientist, I was surprised at how little substantive research had been conducted on these issues. Research on trust up to that point had been limited to rudimentary economic games, where participants would simply choose whether or not to cooperate with an unknown counterpart based on the incentives. These games offered a useful starting point for understanding how people might behave in interpersonal situations. However, they ultimately failed to capture the broad scope of social, psychological, institutional, and cultural considerations that underlie the richness and dynamic complexity of trust as it is experienced in the real world.³

Even worse, discussions of trust, its violation, and its repair by both social scientists and practitioners still relied quite heavily on case studies and other anecdotes. Such stories could certainly provide vivid and compelling accounts of these experiences. However, they ultimately fail to dig below the surface to consider the underlying psychological mechanisms that might explain why even the exact same attempts to repair trust may succeed in some cases but not others. I have devoted most of my career to addressing these unanswered—and mostly unasked—questions. And it is that more than twenty-year scientific effort—with its wide range of surprising, and sometimes disturbing, insights—that forms the foundation of this book.

In the years since I started sharing some of my initial findings with other research scientists, students, executives, journalists, family, and friends, I have been constantly reminded of the extraordinary resonance these issues have with people. No matter the audience, this work triggers animated conver-

sations and heartfelt questions, and it often leads people to share their own deeply personal stories of their struggles to build and maintain trust with others. It is, thus, clear to me that people yearn for this kind of knowledge.

In this book, I will explain the intricacies of my research through the lens of the two most powerful determinants of trust. The first is *competence*, or the belief that someone possesses the technical and interpersonal skills that are required for a task. And the second is *integrity*, or the belief that someone will adhere to a set of principles one finds acceptable. Both are important, but the evidence makes clear that we also interpret these two factors quite differently when we perceive others.

Competence enjoys a positive bias. We tend to take a single successful performance as a reliable signal of competence, based on the assumption that those without competence would not be able to perform well in any circumstance. But we're also willing to discount a single poor performance as a signal of incompetence, based on the assumption that even highly competent people can occasionally fall short of what they would normally be able to achieve. Thus, if a trust violation is perceived to be a matter of competence, it can often be overcome.

In the case of integrity, however, the bias is reversed. We intuitively believe that those with high integrity would refrain from dishonest behavior in *any* situation, whereas those with low integrity will act either honestly or dishonestly depending on the incentives. For this reason, people won't take a single honest behavior as a signal of high integrity, since we generally assume that anyone can behave honestly at least some of the time. But we see a single dishonest behavior as a reliable signal of low integrity, based on the assumption that only those with low integrity would ever act in dishonest ways. Thus, it is much harder to overcome a trust violation if it is perceived to be a matter of integrity.

There may be no better illustration of these tendencies than the public's perceptions of Donald Trump, a man who has routinely engaged in strategically nonsensical acts, like admitting that Russia helped him win the presidency, only to deny it twenty minutes later.⁴ His followers seem willing to filter his shortcomings through the lens of competence. He doesn't have the skills (low competence) because he's "not a politician," which his supporters

see as a good thing, compared to career politicians, who are practiced at lying (low integrity) for a living. In contrast, those on the other side perceive Mr. Trump's actions to be the result of profound selfishness, the pursuit of power, and a complete disregard for right and wrong—unforgivable violations of integrity.

Note that the important factor is how the behavior is perceived, not the behavior itself. In this book, I will illustrate the implications of my research by describing the unexpected and often-disastrous outcomes of such perceptions, as well as our often erroneous assumptions about how trust is developed and how trust violations should be handled. We will review the sex scandals of several well-known public figures (to explore why, for example, the public might have forgiven Arnold Schwarzenegger, but not Bill Clinton, when those incidents were first reported). We will consider the refusal of Linda Fairstein, the Central Park Five's lead prosecutor, to apologize for pursuing those convictions, which were later vacated (and why it might not have helped even if she had apologized). We will examine the Italian fashion company Dolce & Gabbana's struggle to overcome a racial controversy in China, as well as the Sackler family's efforts to evade culpability for their role in the opioid crisis. And we'll also look at experiences with infidelity and domestic abuse that don't often make headlines.

The book will, furthermore, build on these insights to confront the challenges of mistrust at a societal level. I'll introduce you to Father Greg, who founded Homeboy Industries in the most dangerous part of Los Angeles, to rehabilitate gang members, and then draw on his astounding success to discuss how poorly we deal with matters of justice and redemption in general. We will revisit the violent clashes at the 2017 Unite the Right rally in Charlottesville, Virginia, the divergent reactions to the police killings of Breonna Taylor and George Floyd, and the bloody legacy of the Great Partition of India, to consider how our responses can be shaped by our group memberships. We will consider how different cultures, both between countries and within the same country, can develop very different views about what constitutes an irredeemable transgression. And we will also compare the attempts in the Nuremberg trials in West Germany, the Truth and

Reconciliation Commission in South Africa, and the Gacaca courts in Rwanda to address gross human rights abuses and heal those divided nations.

As I reflect on where things stand, at the time of this writing, examples of how trust has been threatened around the world seem endless. A 2021 report by a Brazilian senate committee accused the country's president, Jair Bolsonaro, of committing crimes against humanity for letting the COVID-19 virus rip through the country and kill hundreds of thousands of people in a failed bid to achieve herd immunity.⁵ The United Kingdom's government has been riddled by a host of scandals, including the 2009 disclosure of widespread thefts by members of Parliament through fraudulent expense claims,⁶ the April 2022 resignation of member of Parliament Neil Parish after being caught watching pornography on his phone, twice, in the House of Commons,⁷ and the forced resignation of Prime Minister Boris Johnson on July 7, 2022, after a historic revolt within his government over a series of ethics scandals.⁸ A 2021 Social Weather Stations (SWS) survey in the Philippines found that 51 percent of that country's adults have difficulty spotting fake news on television, radio, or social media.⁹ Moreover, most major economies have witnessed growing levels of income inequality over the past three decades,¹⁰ a condition that is negatively related to trust.¹¹

But the decline in trust seems particularly acute in the United States. A 2021 poll by the Impact Genome Project and the Associated Press–NORC Center for Public Affairs Research found that 18 percent of U.S. adults, or about forty-six million people, say they have just one person or no one they can trust for help in their personal lives.¹² Twenty percent, or forty-nine million people, say they have just one person or nobody they can trust to help draft a résumé, connect to an employer, or navigate workplace challenges. Moreover, 36 percent of those below the federal poverty level report having no one to turn to for help.

The U.S. has struggled with myriad failures, rampant misinformation, and persistent vaccine hesitancy during the COVID-19 pandemic. We have confronted one another over the teaching of critical race theory and the role of affirmative action in our schools. We have reeled from countless stories of sexual harassment at the workplace and witnessed the ravages of drug

addiction, homelessness, and mass shootings in our neighborhoods. And many have found it increasingly difficult to discuss social, environmental, and political differences with friends or family at their own dining tables.

Some have suggested that the January 6, 2021, assault on the U.S. Capitol was the point where this country hit rock bottom. And though the realist in me worries that things can still get worse, it certainly seems clear that trust in this country has never been damaged to this degree in recent times. Yet a silver lining from our reaching this semblance of a bottom can be found in the extent to which that horrific event has spurred a growing recognition by at least some political leaders, and certainly by the broader public, of the need to change course. Of the need to move beyond cynical partisanship, conspiracy thinking, and self-serving attacks on the truth. Of the need to reestablish our faith and *trust* in the democratic principles of our country, in our institutions, in facts, and in one another—the neighbors, coworkers, acquaintances, friends, and family members with whom our trust can be established, violated, and repaired day-to-day. We have never been in more need of a serious conversation about how to repair trust, a conversation based on rigorous scientific research on this topic rather than mere conjecture, a conversation that can help us make sense of these dark times and chart a path forward.

My goal for this book is to give you a better understanding of how trust can arise, how it is damaged, and what it means to repair it, as well as practical insights into how to rebuild your own social connections in the face of the turmoil, disappointments, betrayals, and tragedies we so frequently experience. However, this book is *not* intended to be a superficial step-by-step guide for those who are only interested in crude quick fixes. It deliberately avoids that approach, not only because too much of what this research has uncovered is ripe for abuse but also because efforts to apply the book's findings without taking the time to understand their nuances first can easily backfire. Yet the practical lessons are certainly there for those who take the time to discern them. And my hope is that, by the end, you will have ultimately acquired a substantive tool kit that will help you better evaluate how to build, maintain, and repair trust not only in your personal relationships but also with society.

Overall, this book represents the culmination of my efforts to address a glaring gap in our understanding of how to address some of the most important experiences in our lives. I have devoted more than two decades of my life to developing a rigorous body of scientific knowledge where very little had previously existed. The insights I will share with you span what has too often been an enormous gulf between fundamental knowledge and real-world relevance. And my hope, given how often trust, its violation, and its repair remain central concerns in so many of our lives, is that this work gives readers a broader, deeper, and more substantive basis from which they might better address these challenges. In these extraordinarily turbulent times, it is clear we need this help more than ever.

YOU'RE NOT AS CYNICAL AS YOU THINK

Dale's first question when meeting Sam is whether Sam is in any way associated with either the government or Dale's former employer. He doesn't seem reassured when Sam answers no. Then why is Sam talking to him for free? It must all be part of an intricate scheme to "subdue" him and place him "under firm control."

Sam asks, "Why would they want to do that?" Dale explains it's because he knows too much about the fraud, lies, and deceit in the highest places. Sam questions how he could know this as a sanitation worker for the municipality. The question visibly offends Dale, and he exclaims, "There are more secrets in people's trash than in the CIA!" His phones are tapped, his mail intercepted and inspected, and there was a mysterious fire in his apartment only days after he filed a complaint against a police officer.

When Sam inquires how long it has been since Dale last went out with friends, Dale has to think hard before answering, "Four years ago." Why so long? Is he a recluse by nature? Dale responds, "Not at all"; he is quite gregarious. But you never know when something you have said in company will be used against you, and those so-called friends had been asking too many intrusive questions lately.

When Sam asks, "So what do you do all alone at home?" Dale laughs bitterly and exclaims, "Won't they love to know my next moves!" At the end of the conversation, Dale insists on inspecting Sam's phone jacks and the undersurfaces of his desk. He explains, "You can never be too careful."

Dale is not an ordinary person. He was diagnosed with paranoid personality disorder, as Sam Vaknin, a writer and professor of psychology, detailed in a book about Dale and hundreds of others diagnosed with narcissistic and

antisocial personality disorders.¹ And my guess is that, just from reading this text, you could tell that Dale could use some help.

But this depiction of Dale's outlook on the world is not far from how most of us assume trust works. We generally believe that trust starts at zero and only builds gradually over time as we learn more about one another. We also believe this approach is prudent and rational. Why would we ever trust someone we don't know, especially when that puts us at risk?

The wisdom of such caution not only makes intuitive sense but also has been underscored by traditional scientific thinking. Research on trust has typically been based on the notion that people are selfish and exploitive. And this has led social scientists to underscore the need for us to *not* trust others unless it is clearly warranted.

This view is perhaps most starkly articulated in the work of Oliver E. Williamson, one of two recipients of the 2009 Nobel Prize in economics. Economists care about trust because it is closely connected to economic activity, with the lack of trust, for example, typically leading to lower wages, profits, and employment. However, Williamson's work differed from that of other economists, who focused on the independent decisions of rational actors in a free market, by considering how such actors might agree to cooperate with one another in more enduring relationships. He, furthermore, explored the challenges people can face in those relationships by grounding his work on a central assumption about human nature—that people are opportunistic.

This assumption takes a step beyond the premise that people are self-interested.² Being self-interested, as the entire field of economics presumes us to be, means that each of us will continuously seek to satisfy our own preferences and act in ways that will maximize our self-benefit (such as by striving to increase our earnings). But as Williamson observed, that assumption also presumes that we will candidly disclose all pertinent information when asked and that we will reliably honor our agreements. Being opportunistic, in contrast, means that we will not only seek to satisfy our own preferences but that we will also do so with guile—with deceitful cunning.

Williamson draws on this darker portrayal of human nature to un-

derscore the notion that people won't necessarily tell the truth, behave responsibly, or fulfill their promises if doing so interferes with getting what they want. And he combined this assumption with the notion that we are also limited in our ability to anticipate and address all the ways in which that might happen, to highlight the risks of making ourselves vulnerable to others' actions.

Given these concerns, the dominant focus of this area of research, known as "transaction cost economics" (due to its focus on how to organize transactions in ways that would minimize economic losses), has thus been on how individuals might mitigate these hazards.* It has explored how people might reduce their vulnerability and risk in the face of others' fundamentally opportunistic nature. And it is for that reason that transaction cost economists' general stance toward trust has been that we should ultimately avoid exhibiting it when possible.

Social scientists have defined *trust* as "a psychological state comprising the intention to accept vulnerability based on positive expectations of the intentions or behavior of another."³ This definition may seem like a lot to digest. However, we only need to unpack its three major elements to develop a better sense of what trust really means—1) trust as a psychological state, 2) trust as a willingness to be vulnerable, and 3) trust as a function of the positive expectations one might have about another.

Let's start with the last element of this definition, the notion that trust is based on positive expectations about the intentions or behavior of another. This is an obvious problem for trust from the perspective of transaction cost economics, given its assumption that people would pursue their own interests in ways that are sly, cunning, and deceitful. If that's the case, then what might provide the basis for us to hold positive expectations about others despite their inherently opportunistic nature? If people are bound to take

* Although this field has typically concerned how economic actors might use contracts as formal legal instruments to achieve these ends in the context of business relationships, it is important to note that contracts have a much broader meaning as well. A contract can concern any form of agreement. It can either be written or simply spoken. A contract can be explicit, but it can also take the form of implicit assumptions by those involved. These kinds of agreements are, furthermore, not limited to formal business relationships but can also arise among any two or more parties, including family members, friends, neighbors, and complete strangers.

advantage of you to serve their own interests, as these economists suggest, then how would anyone trust anyone else?

The answer, according to this perspective, is to find ways to discourage them from acting upon those opportunistic inclinations. This recommendation has direct implications for the second condition for trust I noted earlier, the intention to accept vulnerability. For example, if Susan and Mark are thinking about starting a business together, and Susan is worried that Mark may not uphold his part of the bargain, then Susan can try to include clauses in their contract that articulate what the consequences would be if her expectations are not met. Doing so can make it less desirable for Mark to cheat, and thus lower Susan's vulnerability to those kinds of problems.

Of course, those kinds of preventative measures probably won't eliminate all risk. None of us can ever foresee all the ways in which agreements can be violated, and we often don't really know whether the kinds of clauses we might add to protect ourselves would be adequate. Mark could fulfill the letter of his contract with Susan, for example, but he may still find countless ways of violating that agreement's spirit, such as by compromising the quality of what he has agreed to deliver in ways that are harder to notice and measure until well after the enforcement period has ended. Thus, Susan may still need to accept some level of risk, despite her efforts to mitigate it. Nevertheless, the core message from transaction cost economists regarding the second condition for trust—namely, the acceptance of vulnerability—remains that we should *not* accept vulnerability to the extent that we can avoid it. It suggests that we should exhibit as little trust as reasonably possible and ultimately as a last resort.

Finally, the very first element of how social scientists have defined trust, the depiction of trust as a psychological state, seeks to address the notion that we can sometimes *appear* as if we trust another person, even when we don't trust that person at all. We may not possess positive expectations about that individual or wish to make ourselves vulnerable to their actions. But we may still act as if we trust that person if there are other reasons to behave that way. In the case of Susan and Mark's new business venture, for example, Susan may not think well of Mark or want to risk running a business with him. But she may still start that venture with Mark if the