Ⅷ Social Capital, Trust, and Democracy: Asia in Comparative Perspective

Junichi Kawata*

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In generalized exchanges, as in other domains, the extension of the circuit of legitimization (A talks about B’s property, who talks about C’s property, etc.) transforms the nature of domination by producing spheres of social influence with dimensions too vast to be completely controlled by specific social agents. It institutes a division of labor of the dominate influences that is much more efficient than other controls which are too centralized, too visible, and too restrictive to last....This enlarged exchange tends to replace explicit censorship with self-censorship, which often has to be accepted and recognized, and initiates submission to the anonymous rules of social order. What we call “generalized domination” by analogy is this new mode of domination which tends to proliferate. Today, the dominant classes are strongly differentiated. Each fraction dominates the others to a minor extent and is, simultaneously, greatly dependent on them as a whole. Among the dominant factions, none dominates everything. The one faction which dominates at any given time is a singular configuration of different fields (camps) participating in power sharing.


How could a democracy so suddenly turn itself into an effective war economy?
The answer may lie in something fundamental to free societies. Aristotle saw it way back then. How can a tyrant hope to perpetuate himself in power, he asked? And he gave a most peculiar-sounding answer. The tyrant must keep all men of ability (arete) ‘hanging about the palace gates’ and he must ban all symposia, those drinking and social clubs where men of any standing met in the long siesta for talk, refreshment, and whatever. Why? Well, to keep them hanging about is to keep an eye on them — marked men — and to keep them from conspiring. But why ban innocent symposia? Because it is in such non-political institutions that men first learn mutual trust. And without mutual trust there can be no overthrow of tyranny. I think the superior mobilization of the British war economy was because people trusted each other, decisions could be developed, and people could work together on that basis to fulfill central plans but without constant central monitoring. (This is an art that outside times of emergency we do not now always sustain — having plenty of time to work out elaborate devices of accountability and monitoring to ensure that public servants do their jobs, which in fact interfere with them doing their jobs when trust has diminished that they can do so from their own sense of professional duty.)....In democracies not merely can trust be greater because omniscience is not expected but also because the fruits of failure are less drastic; people will trust their arm, trust their own judgment, exercise initiative....Just as the desire for revenge can run contrary to the need for political compromise, so mutual trust is .... a basic condition for political action, and somehow one finds more of that in democracies than in autocracies.


Introduction

Following the Plaza Accord of 1985, industrial rearrangement (overseas local production, overseas procurement of parts) in Japan, fostered by the strong yen-caused recession, propelled the industrialization of other Asian countries. Japan led the NIES countries (e.g., Korea, Taiwan, Hong Kong, Singapore), which were then followed by China. This kind of development was called a “staggered economic development.” During the 1980s, Asian countries aimed at
export-led industrialization under military or soft authoritarian regimes, and attained economic growth with the introduction of foreign capital. In the late 80s, massive street demonstrations against heavy-handed politics led, in 1986, to the demise of Marcos’ autocratic regime in the Philippines, lifted martial law in Taiwan in 1987, after an interval of about forty years, and led to regime transitions to democracy in Korea and Thailand in 1992. Putting aside the question of the degree of “Wave” in each country, “The Third Wave” of democratization led many Asian countries to establish an “electoral” democracy with guarantees of freedom of speech, freedom of association, and of human rights.

In Asian socialist countries as well, the process of democratization began with the introduction of market economies. In Vietnam, the Doi Moi policy (“external open policy”), which had begun in 1986, started to pick up momentum and, encouraged by economic growth, allowed for disclosure of information there.

China went through a transitional period to a market economy after the decision was made in 1978 to adopt open economic policies, and to implement the “Socialist Market Economy” policy of 1992. China’s economy has grown in near double-digit figures for most of the past two decades. Having outgrown stagnated state-owned enterprises, private enterprises have become a plinth of power and grown supporting the Chinese Communist Party (“state”). Contradictions inherent in a combination of the one-party system and the market economy have given birth to myriad types of social organizations (“civil society”). After abolishing the people’s commune and restoring county-town governance, the CCP established institutions in direct support of the people’s representatives. In the late 1980s, direct elections took place at the county and local levels where the people elected members of their village to self-governing organizations, namely, “the villagers’ committees,” to control corrupt exchanges in-
volving rural party cadres, and to mitigate discontent among the villagers (See Khorogi, 2002, pp. 153–154). In April 1989, we finally witnessed the massive street demonstrations of the Beijing Spring, the Tiananmen Incident, which many intellectuals, and the urban masses, supported.

Wang Hui, an eminent Chinese scholar, describes the great change in China after the Tiananmen Incident as follows: “In 1989, the social movement attempted to facilitate an organic interaction between state and society via mass participation, but after 1989 the mechanism of interaction between state and market came to substitute for those between state and society. As part of this historical process, the concept of society was gradually replaced by the concept of the market and the basic motivating power behind the promotion of the transformation of the mechanism of the state and the reform of the legal system was no longer ‘society,’ but internal and external markets. As a result, the very implications of the term ‘politics’ underwent a huge shift: the state became the defender of the market mechanism and the principal administrator of the legal system along lines set out by the WTO” (Hui, 2003, p. 199).

According to James Petras, an American radical sociologist, “Two Chinas” — the coastal region and the interior — appeared within this self-denying socialism. Almost all of the foreign-owned or managed enterprises are concentrated in the coastal economic zones. At best, the interior provides a source of cheap labor and a declining share of food and raw materials. Since joining the WTO, the entire process of accumulation, reproduction and distribution in China has been directed, owned and benefits an extremely limited class of foreign and domestic capitalists and Chinese state directors and their extended family networks. Petras harshly criticizes the present conditions in China: “The extreme and growing class inequality in power, wealth, ownership, access to state credit, contracts, licenses, incentives and land concessions is totally mystified by refer-
The existing mode of a society is determined by the structure of inter-regulations among state institutions, the political society, the civic society, and the corporate economy, which are configured singularly by combinations of functions of rationalization (the “bureaucratic” phase), representation and participation (the “democratic” phase), and accumulation (the “capitalist” phase).

Efforts towards democratization in Asian countries have sought the development of a pluralization of political societies and a route to inclusive “representation and participation” that opposes the exclusiveness of state organizations by invigorating opposition parties, social movements, and civil society organizations, including the NGO and NPO. To democratize autocratic and development–oriented authoritarian regimes that take precedence over “rationalization” and “accumulation”, leads to a test of strength of “representation and participation” embedded in civil society.²

Dieter Senghaas states that the pluralization of political systems which can be observed in East Asia today, is a political reflection of the institutional adaptation of old autocratic and despotic regimes to an increasingly complex socio-economic and cultural reality. Its direction is not liner but irregular. But its prospects are good, according to Senghaas, “because it was preceded by a re-grouping of the old societies into strong new socio-economic groups” (Senghaas, 2002, pp. 112–113). In that Asia today, this adaptation has witnessed discontentment among the poorer people living in the urban peripheries and in rural areas with imbalanced social–economic development (the phenomenon of ‘two Chinas’) caused by rapid economic globalization, and has amplified the psycho–societal characteristics of the “non-place” fostered by self–reflective modernization.

This paper is an essay on an analytical framework for comparing democracies in Asian countries by observing civil societies interacting with state organi-
zations, political societies and the corporate economy, and by utilizing the concepts of “social capital” and “trust,” keeping in mind the “mode of connection” within the traits of democracy (representativeness, legitimacy, and responsiveness). “Social capital,” as used by sociologists James S. Coleman and Pierre Bourdieu with a primary focus on education, has become an influential concept across a variety of disciplines through two influential books by American political scientist Robert D. Putnam’s *Making Democracy Work: Civic Traditions in Modern Italy* (Princeton, NJ: Princeton University Press, 1993) and *Bowling Alone: The Collapse and Revival of American Community* (New York: Simon & Schuster, 2000). “Trust” is to be treated as a trait of “social capital” and includes more historical/relational elements than just trust/distrust as measured by polls.

In reexamining this dimension, this paper tries to marshal arguments over “social capital,” and “trust” before and after Putnam’s work — especially *Making Democracy Work* (1993). Through this work, this essay seeks to clarify the logic and structure of connecting the “social” dimension with the “political” one (e.g., political trust, mode of democratic involvement), bearing in mind Asian countries as much as possible.

1 Social Exchange and Social/Political Relationship

Electioneering under polyarchial regimes is institutionalized as political competition over the right to govern between governments and political opponents. By contrast, in developing countries, elections easily become formalistic and ritualistic. Political tensions between the state and society can be compounded because of dissent among the defeated over the electoral process, the results, and the electoral system as well.
In Korea, it is well-known that elections have turned strong regionalism into an important force for controlling changes in government personnel. In Southeast Asian countries (especially in Thailand and the Philippines), many researchers have observed patron-client relationships helping the bigwigs to patronize public policies (See Scott, 1969; Scott, 1972). And we have repeatedly witnessed a kind of “politics of personality” in which integrative leaders mobilize the poor masses. There is no small number of countries which have areas in the peripheries teeming with anti-regime oriented religions, ethnic movements and small parties isolated and alienated from the established power structure.

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**Figure VII–1  Social Exchange and Clientelism**
By referring to Italian political scientist Luigi Graziano's thesis on clientelism which is based on the theory of social exchange, this paper attempts to shed some light on the “representation and participation” process and the conjunctive nature of civil and political societies in Asian countries that are characterized by a contradictory mixing of tradition, modernity, and post-modernity.

While using Peter M. Blau’s exchange theory (Blau, 1964) (see Figure VIII -1) as a base, Graziano regarded “clientelism” as a kind of dyadic, direct exchange. Peter Blau understands that a basic difference exists between associations that are considered by their participants as ends in themselves, and those that are considered as a means to some further ends. Graziano contrasts an “ideology” based on the former associations (“intrinsic benefits”) which, in principle, are inseparable from the association which procures them, against an exchange based on the latter associations (“extrinsic benefits”), which are those separable from the association.

Excluding “expressive friendship” (which is intrinsically rewarding) and “Wertrational action” (in the Max Weber sense) from the concept of social exchange, Graziano separated social exchange into “direct exchange” and “indirect exchange.” According to him, direct exchange is based on “an exchange of immediate, individual, predominantly material rewards.” The subordinate complies with the superior’s commands and the activist with the leader’s directives in exchange for the services which they receive directly from the authority or from the leader. By contrast, indirect exchange is based on “a horizontal control exerted by the very subordinates (or members of a group) who offer collective compliance with the directives of the superior in exchange for his contribution to the welfare of the group” (Graziano, 1975, p. 36).

Amoral Clientelism

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Edward C. Banfield explains the problems of South Italy in his famous book *The Moral Basis of a Backward Society* (New York: Free Press, 1958). Through participatory observation (for nine months in 1954 and 1955), Banfield observed many facets of the peasantry in Montegrano (A small Basilicata village — the name is fictitious.), which is typical of the south, namely “the rest of Lucania, the regions of Abruzzi and Calabria, the interior of Campania, and the coasts of Catania, Messina, Palermo, and Trapani.”

Using data from census schedules and other official sources, from record books, from interviews, and from Thematic Apperception Tests, Banfield achieved clear insights into the ethos of the peasantry. He astutely referred to this area as a society hoisted by “amoral familism.” Local residents did not know about voluntary associations. Assuming that all others will do likewise, each individual will act to maximize the material, short-term advantages of the nuclear family.

Amoral familists did not show much interest in public affairs, assumed that there would be few checks on officials (for checking on officials would be the business of other officials only) and presumed that whatever group was in power would be self-serving and corrupt. They did not engage in collective action or collaborative enterprises that would highlight their political incapacities.

Being similar to Banfield’s assumption, Gabriel A. Almond and Sidney Verba, *The Civic Culture: Political Attitudes and Democracy in Five Nations* (Princeton, NJ: Princeton University Press, 1963), pictured Italian political culture as that of “relatively unrelieved political alienation and of social isolation and distrust” (Also see LaPalombara, 1965; Barnes and Sani, 1974). According to Banfiled, in Southern Italy “amoral” familism retarded the growth of voluntary associations and did not allow for the introduction and development of “a sense of community” and civic culture. The findings of *The Civic Culture* (1963)
suggested that such a society kept a “sense of civic competence” and “civic cooperation” at a low level, made the modes of political participation clientelistic, and suffocated effective democracy.

*Civic Community*

As opposed to Italian political culture, Almond and Verba (1963) pictured the American and English ones as civic. Saint Jones (a small town in Utah, USA) where Banfield had also conducted research during the same period, though separately from Montegrano, showed that a pluralistic civic society abounds in networks of sociability and voluntary associations, and is supported by “enlightened self-interest.”

It is Robert Putnam’s *Making Democracy Work* (1993) that reveals civic communities in the center and north of Italy. According to Putnam, such civic regions are characterized by a dense network of local associations, by active engagement in community affairs, by trust, by law-abidingness, and by egalitarian patterns of politics which deploy “indirect exchanges” (in Graziano’s term) in many spheres of civic activity.

The South, by contrast, is characterized by poverty and economic backwardness where we often observe clientelistic exchanges led by “amoral familism.” There, the concept of “citizen” has been less than easy to develop. Civic engagement within social and cultural associations has been scarce and, with a fear of *trasformismo*, the powerful have been looked up to as respectable patrons. It would be no wonder to find out that the performances of local governments in the South don’t compare with those in north-central Italy.

*Virtuous Clientelism*
Italian political scientist Simona Piattoni’s *Il Clientelismo: L’Italia in prospettiva comparata* (Roma: Carocci editore, 2005), while viewing clientelism as a political strategy for gaining and maintaining power, and emphasizing “politics” as the interaction of the strategies of both patrons and clients, discovered a variety of “styles of clientelistic government” that, although superficially similar, nevertheless work according to rather different logics, and, as a result of cultural and structural factors, produce different outcomes in terms of economic development in the undeveloped and incivic “South,” just as Banfield (1958) and Almond and Verba (1963) had discovered.

Piattoni endeavors to answer why Abruzzo, sustaining the growth spurt of the 1970s, managed to weather the crisis of the 1980s and early 1990s more successfully than Puglia, although similarly positioned at the beginning of the 1970s. Her research found that the different results depended on the ability of their respective local political classes to help the local economy tackle the necessary restructuring. The key element is “politics.” That is, the different political strategies of local elites. In Abruzzo, the politician (the patron) is cohesive and competitive, and the electorate (the client) is also strong. The “social contract”-oriented exchange of benefits between patrons and clients became practicable through the allocation of community-oriented “pork-barrel”-type resources (“clientelismo virtuoso”). In Abruzzo, cohesive patrons facing strong opposition could foster economic development and effectively deliver actual goods to the local community. In contrast to this, Puglia’s combination of divided patrons and weak clients made it hard for less cohesive patrons to attract resources from the center and to allocate them effectively in the periphery (“clientelismo inef ficace”). “Isolated and atomized clients demanded selective goods for their exclusive individual benefit.” According to Piattoni, only a “virtuous patron” would be interested in, and capable of, credibly enforcing contracts and promot-
ing economic development.

Piattoni viewed the logic of “politics” (e.g., the political strategies of the local elite) as a precondition for the diffusion of collective structures of interaction, alongside the dyadic structures that prevail in the private sphere, ensuring that, “in their public dealings, individuals learn to base their behavior on deferred rewards and general principles rather than on immediate rewards” (Piattoni, 1998, p. 229). She suggested that economic development can feed back to politics, contributing to the replacement of clientelism by a more “civic” style of politics (Piattoni, 1998, p. 239).

Piattoni, comparing between the “southern and southern,” found that “politics” was a great driving force for transforming “amoral familism” into a “civic community” by fostering indirect exchange. Basing his ideas on the game theory, Robert Putnam, who, according to Piattoni could be categorized as a social structuralist or culturalist (like Banfield and Almond and Verba) when belittling politics, explains the bifurcation of the Italian North-South by contrasting the self-reinforcing relationships between individuals and their environments from the perspective of path-dependent social equilibrium — “civic” society in the center and north with abundant social capital and “incivic” society in the south.

2 Social Capital

*Robert Putnam*

Robert Putnam used the term “social capital” to refer to “features of social organization, such as trust, norms and networks that can improve the efficiency of society by facilitating coordinated actions” (Putnam, 1993a, p. 167). The
quantity of social capital in a region or a community, determines the method of resolving dilemmas of collective action and the efficiency of social management there.

The North, says Putnam, fought its way from barbarous conditions with “horizontal collaboration” and succeeded in building and accumulating “social capital” which made civic cooperation and solidarity possible, and developed the concept of impersonal contracts and mutual trust. This led to an affluent civic community there. The South, by contrast, developed a “vertical hierarchy” of dependence and exploitation, and underwent a Hobbesian solution to dilemmas of collective action through authoritarian government, patron-clientelism, extra-legal “enforcers,” and the like.

Putnam’s theory of social capital is influenced by Alexis de Tocqueville’s “science of voluntary association” and Almond and Verba’s concept of “civic cooperation,” and it becomes the “normative” theory of civic culture embracing autonomy and fraternity based on ideas like civic virtue, civic engagement (active involvement in public affairs), norms of reciprocity among equals, and mutual trust/cooperation.

*Putnam and Related Theses: James S. Coleman and Pierre Bourdieu*

According to Richard M. Carpiano, the French sociologist Pierre Bourdieu conceptualizes social capital beyond concepts of trust and norms of reciprocity, and necessitates consideration of more tangible network-based resources that people exploit for action. So, it is assumed that the benefits of social capital do not go beyond the community at large, including the free-riders of Putnam’s supposition (Carpiano, 2008, p. 84). Such a viewpoint is shared by the prominent American sociologist, James S. Coleman. Coleman, similarly to Bourdieu, de-
rived his theses of “social capital” from doing research into the factors that cause great differences in the educational achievements of students.

James Coleman had a significant influence over the reparation and integration processes in elementary and secondary education after World War II, through leading three large-scale surveys conducted by the Federal Government. In 1981, after the Second Report (1975) which was condemned for overturning his argument for the integration of education, he carried out a large-scale survey of public and private schools.

The so-called “Third Report,” *Longitudinal Data Analysis*, and the following, *High School Achievement: Public, Catholic, and Private Schools Compared*, showed that the differences in scholastic achievement between public schools and private schools was due not to the content of their curriculums — the “unstructured curriculum,” and the degree of cultural literacy which the “Back to the Basics” schools emphasized — but to the different degree of “social capital” which was accumulated, and utilize by students, in each type of school. The religiously based high schools are surrounded by a community based on a religious organization. “These families have intergenerational closure that is based on a multiplex relation: whatever other relations they have, the adults are members of the same religious body and parents of children in the same school” (Coleman, 1988, p. 114).

Utilizing networks of relatedness cultivated by trust and the norms of reciprocity, and fostered by “closure,” children begin to study harder with high achievements. By contrast, “it is the independent private schools that are typically least surrounded by a community, for their student bodies are collections of students, most of whose families have no contact. The choice of private school for most of these parents is an individualistic one, and, although they back their children with expensive human capital, they send their children to these schools
denuded of social capital” (Coleman, 1988, p. 114).

In Coleman’s view, the function identified by the concept “social capital” is “the value of those aspects of social structure to actors, as resources that can be used by the actors to realize their interests” (Coleman, 1990, p. 305). And, individual actors in a social system “differ with respect to the extent of credit slips on which they can draw at any time” (Coleman, 1990, p. 308). The extent of “outstanding obligations,” according to Coleman, depends on a variety of factors and includes: “besides the general level of trustworthiness that leads obligations to be repaid, the actual needs that persons have for help, the existence of other sources of aid (such as governmental welfare services), cultural differences in the tendency to lend aid and ask for aid, the degree of closure of social networks, logistics of social contacts” (Coleman, 1990, p. 307).

For Coleman, social capital is accumulated as “outstanding credit slips” through social exchange, not, as in the case of money, through economic exchange. It is not by chance that his attention to the “emergent properties” of social relations, that is, of social forms as structures independent of the individuals who originate them (Graziano, 1975, p. 18), had already appeared in his initial work on community conflict (Coleman, 1957).

As Coleman realized, European society, in which Pierre Bourdieu had analyzed the differences in scholastic ability in relation to “social capital”, is socially plural and schools are usually linked to the associative networks embedded in social factors such as social class, religion, and ethnicity (Coleman, 1956; Coleman, 1957).

Running approximately parallel to Coleman’s analysis of educational inequality, Bourdieu’s definition of social capital is strongly linked to the notion that power offers resources to particular group members as a result of a given network. Social capital is defined as the aggregate of “the actual or potential
resources which are linked to possession of a durable network of more or less institutionalized relationships of mutual acquaintance and recognition....which provides each of its members with the backing of collectively-owned capital” (Bourdieu, 1997 (1983), pp. 248–249).

For Bourdieu, social capital is easily united with “systems of disposition,” namely the “habitus” which engender attitudes and conduct that enable “objective” structuring, such as material conditions for existence, characteristic of some groups or classes, and socially structured conditions that enable life to succeed and reproduce. As described by Bourdieu (1980), social capital is subordinate to “all institutions which work to the advantage of legitimate exchanges and try to exclude illegitimate exchanges,” “attracts markedly vigorous homogeneous, if at all possible, individuals suitable for the existence and survival of the group in all its respects, and engenders decent exchanges (rallying, cruising, hunting, evening parties, receptions, etc.), occasions (upper class districts, elite schools, clubs, etc.), and practices (fashionable sport, clubby indoor games, and cultural ceremonies, etc.).” It contributes to reproducing the high “mortality from schooling” in France (See also Bourdieu et Passeron, 1964; Bourdieu et Passeron, 1970).

Social capital is produced by strategic social investment based on the reciprocal exchange of resources and accesses through mutual acquaintance or recognition. For Bourdieu, who thinks that economic capital is at the root of all other types of capital, social capital is a mere disguise for economic capital, largely functioning as something essential for building up economic capital and social status — getting in the way of the reproduction of class relations. Shigeto Sonoda regards the managerial stratum working for state organizations as the people who most greatly benefit from the policies of openness and reform. He continues as follows: “They obtain political powers as well as cultural capital,
as suggested by the high ratio of university graduates among them. In 2006, they became the top group for average monthly incomes. Their gaining of economic resources gives them the appearance of monopolizing social resources in China. Observations about changes in some eight years make it clear that the core pillar of the Communist Party is steadily achieving affluence” (Sonoda, 2008, p. 171. Translated by the author.).

If Bourdieu were alive, how would he explain this situation in terms of “social capital?” As Lin notes, “it is clear that Bourdieu considers these forms of capital as largely in the hands of the dominant class, since it occupies the top positions in society” (Lin, 2001, p. 15).

Social Capital as Social Network

According to Lin, the central concern of Putnam’s, Coleman’s, and Bourdieu’s social capitalism is to explore the elements and processes involved in the production and maintenance of collective assets (Lin, 2001, p. 22).

Defining social capital as capital consisting of “resources embedded in one’s network or associations” (Lin, 2001, p. 56), Lin focuses on the potential effectiveness of a person with resources who is accessible through direct and indirect ties. Individuals invest in “social relations with expected returns” in the marketplace (economic market, political market, labor market, or community) (Lin, 2001, p. 19).

Let’s look at Lin’s empirical data. His Albany (NY) research showed that contact status in the job search was affected by “parental statuses (ascribed status), education, network resources, and weaker ties with the contact” (Lin, 2001, p. 93). “The strength of weak ties” hypothesis was demonstrated by seminal research carried out by Mark S. Granovetter, who studied job changes
by PTM workers (professional, technical, and managerial workers) living in
Newton (near Boston) (Granovetter, 1974).

For Latin American in the late 1960s, most migration of rural people to
large cities resulted in the emergence of huge shanty towns surrounding the
cities. A disastrous condition caused by “urbanization without industrialization,”
this necessitated most of these people to take marginal jobs. Wayne Cornelius
(1975, p. 22) reported that upon arrival in Mexico City, most migrants were suc-
cessful in finding employment and increasing their incomes through “strong
ties,” such as friends and kinsfolk, who were on hand. Only 4 percent remained
unemployed for more than 6 months. Forty-three percent of the migrants re-
ported having no difficulty finding their first job, another 42 percent recalled
that they had had “only a little” difficulty.

Migrants coming from rural areas to Mexico City got menial jobs through
“strong ties.” By contrast, getting information concerning corporate promises,
gaining opportunities for developing skills and the expectations of promotion
through “weak ties” is important to facilitate joining the family of “winners” for
PTM workers in Newton, the setting of Getting A Job, and for IT technologists
in networking industrial cluster areas (e.g., Silicon Valley). An extension of the
market fostered by the concentration of many forms of resources in today’s big
cities, and by economic globalization, might require social capital created by “a
network in which people can broker connections between otherwise disconnect-
ed segments” (Burt, 2001, p. 31. See also Burt, 1992).

According to Robert B. Reich, former Secretary of Labor in the Clinton
Administration, since the early 1970s the American economy has been divided
into the following three job-categories: decreasing “routine production servic-
es”; increasing low-paying “in-personal services”; a handful of high-paying
“symbolic analytic services” including all problem-solving, problem-identifying,
and strategic-brokering activities (Reich, 1991).

“Symbolic analysts,” making efficient use of brokerage-type social capital, jet around the world to business meetings. “Another image of the visible and invisible worlds beneath our noses is suggested by a flight along the northeast corridor from Boston to Washington. In the morning, on the flight south, the structures and fixed patterns of the industrial world fill the window: roads, buildings, football fields, water towers. On the trip north, at night, a wondrous transformation has occurred. There are no asphalt parking lots, no brick-and-mortar factories, nor geometrically plowed fields. Instead there are ribbons and clusters of light, myriad faint pinpricks in dark spaces between great shimmering seas of urban brilliance — a reality completely invisible to the daytime traveler” (Lipnack and Stamps, 1982, p. 229).

By contrast, there are a large number of people who can’t jet around even if they work at an airport “Terminal,” a typical “non-place.” We can easily see the ground battered by poverty where there are no ribbons of lights in the night. As an aside, it is worth noting that the above-quoted passage is a very impressive description of the research done on the actual conditions of new citizens’ participation in the initial stages of computer-networking. Jessica Lipnack and Jeffrey Stamps, the authors of the aforementioned passage, understand that the meaning of networks is bound up in relations: the links, connections, communications, friendships, trusts, and values that give the network its life.

With networks, in contrast to hierarchies, power tends to become dispersed into plural nodes and links. “Instead of being held together within a boundary, a network coheres from shared values, interests, goals, and objectives” (Lipnack and Stamps, 1982, p. 230). A network as a whole treats its participants with respect, each voice expecting to be treated equally. Behind the formation of
networks lies the Internet which galvanizes the activity of NPOs or NGOs, tackling problems of poverty and human rights.

In contrast to the poor who cannot fly even coach class, PTM workers contributing to some NPOs / NGOs “live and work among themselves, crowded in or near metropolitan centers. They jet around the world to business meetings or conferences and hop on planes again to ‘escape’ for vacations at luxurious retreats or exotic sites” (Skocpol, 2003, p. 213).

While the rapid globalization of the economic web in Asia has recently created a network effect by concentrating high-value-added activities into specific areas, the gap between the center of the global economy and its circumference has rapidly widen. Hordes of “data processors stationed in ‘back offices’ at computer terminals linked to world-wide information banks” (Reich, 1991, p. 175) are forced to find insecure positions in a borderless-economy. For them, the workplace is a “non-place,” as described by the French anthropologist Marc Augé: a space which cannot be defined as relational, or historical, or concerned with identity, if a place can be defined as relational, historical and concerned with identity (Augé, 1995, p. 77-78). An “Anthropological place,” which Augé takes pleasure in contrasting with a “non-place,” might be towns and villages in contemporary provincial France.

3 Trust

“Conjoint” Authority Relations and Trust

Small-firm industrial districts with concentrated social capital in the center and north of Italy are like “anthropological places.” Applying Granovetter’s “strength of weak ties” to civic society, Putnam identified a source of vitality for
democracy in trust and civic engagement fostered by horizontal “weak ties.” Trust is generated and malfeasance discouraged when agreements are “embedded” within large structures of personal relations or social networks (Granovetter, 1985, p. 490). According to Putnam, such trust facilitates flows of information about “technological developments, about the creditworthiness of would-be entrepreneurs, about the reliability of individual workers” (Putnam, 1993a, p. 161) and creates lively small/medium-scale industrial districts.

A structure of “governance by trust” based on “weak ties” supporting inter-firm networks (Wakabayashi, 2002, pp. 220–223) generates a durable, reciprocal and diffused obligatory commitment, unlike “contracts” in market transactions which result in a drain on resources and a “weakness of strong ties” accompanied by dyadic direct exchanges.

According to Coleman, “an actor makes a unilateral transfer of control over certain resources to another actor, based on a hope or expectation that the other’s actions will satisfy his interests better than would his own actions; yet he can only be certain at some time after he has made the transfer” (Coleman, 1990, p. 91). Differing from instantaneous exchanges among equals, such as market transactions, “trust” is generated through such a transfer of control over one’s resources to others.

After carefully considering the traits of “trust,” Coleman contrasts communes and trade unions with bureaucratic organizations and agency relations. The latter are called “disjointed” authority relations in which a transfer of the rights of control is made in exchange for payment of a wage or salary. By contrast, the former are called “conjoined” authority systems in which actors transfer authority without receiving an extrinsic type of payment. “This is a subjectively rational transfer of authority when it is based on the belief that the exercise of the authority will be in the actors’ interests” (Coleman, 1990, p. 73).
Using Graziano’s terms, communes and class-based trade unions, among “conjoined” types, could correspond to “ideology” and voluntary associations. Pragmatic political parties belong to “indirect exchange” while the former might correspond to “economic exchange.” That is to say, a “civic” community will be facilitated by trust developed by “conjoined” authority relations through indirect exchange. The transfer of control over one’s actions in conjoint authority relations “must occur at some time before the expected benefits can be realized” (Coleman, 1990, p. 91).

Trust and the Logic of Confidence

John W. Meyer and Brian Rowan, in their influential article “The Structure of Educational Organization” (Meyer and Rowan, 1978), clearly show that the “logic of confidence” is keeping school organizations alive by “decoupling” formal and “tight controls” (formal qualification/classification (“ritual classification”)) from “loose controls” (noncommittal coordination of instructional activities/methods). In the organization of schooling, “rules are often violated, decisions are often unimplemented, or if implemented have uncertain consequences, technologies are of problematic efficiency, and evaluation and inspection systems are subverted or rendered so vague as to provide little coordination” (Meyer and Rowan, 1977, p. 343).

Karl E. Weick (1982) likewise characterizes school systems as “loosely coupled” rather than centralized bureaucracies. School board members, superintendents, central staff, principals and teachers have different roles and respond to different incentives. Relationships among them tend to be “unpredictable, weak and intermittent.” “Myths, rituals, and symbols” embedded in such a loosely coupled system as this type of institution, could operate as “the logic
of confidence,” make school organizations legally effective and legitimize the demands of organizations for resources, as well as legitimize their efforts to survive “loosely coupled” systems in which a collection of actors operate in a “semiautonomous manner.”

Like Meyer’s thesis of indigenization of schools through “decoupling,” “politics” has to attain its actual implementation of goal-setting, make decisions about prioritizing policy and settle conflicts within a loosely-coupled system that arise from balancing “tight control” (political institutions and structures) with “loose control” (ambiguous control over contents and procedures of individual policies). In such circumstances, the political “logic of confidence,” differing from an accumulative study of socially generalized trust and interpersonal trust, and from simple transfers of social trust to the political domain, operates through “disjointed” authority relations generated by the transfer of control over one’s action to an agent (bureaucrat or politician).

In politics, a principal is more distant from an agent than in schools and knowledge, and the information dominating both actors, is used more for “mediating.” The transfer of the right to control one’s own resources will seem all the more like “leaping into the dark.” As Coleman shrewdly commented, “the structure of authority for a New Yorker’s political beliefs may involve a partial transfer to the New York Times, the New Yorker, and the New York Review of Books” (Coleman, 1990, p. 86).

**Logic of Confidence and Operative Ideals**

Since information and knowledge about “politics” is always “intermediary,” the media always intrudes on the political “logic of confidence,” and threatens it. Even in such circumstances, according to J. W. Meyer et al., the nation state,
which needs to rationalize itself and prove it is “appropriate” and “responsible,” might be continuously exposed to practices of ritual self–expressive (Meyer, Boli, Thomas, and Ramirez, 1997).

As an “operative ideal” infused with “myths, rituals, and symbols” that has already been prepared for the public sphere, political culture, over which the state and civic society (including the media) compete for influence, organizes the political judgment, attitude, and the behavior of citizens. It could also limit the range of political discourse and set the stage for “legitimate” political action.

Robert Putnam’s earlier work, The Beliefs of Politicians: Ideology, Conflict, and Democracy in Britain and Italy (New Haven: Yale University Press, 1973) investigated how British and Italian politicians conceived Democracy. The “operatives of ideals” of DEMOCRACY they used are as follows: (1) classical democracy (“government by the people”); (2) liberal democracy (“government by parliament”); (3) polyarchal democracy (“government by party leaders”); (4) authoritarian democracy (“the accentuation of the role of political leaders and diminution of the role of followers”); and (5) socioeconomic democracy (“the accentuation of socioeconomic equality”).

In Britain, “polyarchal” and “liberal” interpretations of democracy are by far the most frequent and there is an even stronger consensus against any of the other three concepts. Most of all, British politicians consider DEMOCRACY as a competition among political parties seeking to form a government in parliament. In Italy, by contrast, the most common model is classical democracy. The next most frequently mentioned model is “socioeconomic” democracy, but there are also significant numbers of “authoritarian” democrats. The Italian politician is likely to interpret DEMOCRACY from the point of view of “equality,” “fairness,” and “freedom.” Fifty–two percent of all Italians are either “authoritarian” democrats or “classical” democrats; the figure for Britain is 10

Junichi Kawata did research similar to Putnam (1973) with the subjects of investigation being children in Britain and America. To find out how “future citizens” in each country develop a cognitive endorsement of DEMOCRACY, Kawata used the written questionnaire, “What is the best way of describing DEMOCRACY? Please check one of the following”:

(1) Where everyone can have a say about what the government does. — political “freedom”;  
(2) Where everyone is treated the same socially and economically. — socioeconomic “equality”;  
(3) Where there are no bosses to tell people what to do. — government by the people;  
(4) Where everyone can vote. — political “equality”; and  
(5) Where everyone can get a good job and make money. — socioeconomic “freedom”.

The response rate of each item was as follows:
(1) Britain (44.7%), America (51.4%); (2) Britain (22.5%), America (17.9%); (3) Britain (5.6%), America (5.7%); (4) Britain (19.4%), America (14.5%); (5) Britain (7.8%), America (10.5%) (The following figures from (1) to (5) give itemized answers to the above-mentioned questions).

In American, the percentage of children who chose “political freedom” surpassed that for those who chose “socioeconomic equality”:
(1) 18.9% (9–12 years old) → 35.3% (13–15 years old) → 53.0% (16 years old and over);  
(2) 24.4% (9–12 years old) → 17.5% (13–15 years old) → 11.9% (16 years old and over).

“Liberty” becomes the dominant “operative ideal” for DEMOCRACY.
The British respondents scored 52.5% for FREEDOM (combining the (1)–and–(5) ratio), and 41.9% for EQUALITY (combining the (2)–and–(4) percentage). For the American respondents, the comparable figures were 61.9% for FREEDOM, and 32.4% for EQUARITY.

Kawata’s data seems to allow us to assume that the future citizens of the United States will develop “the concept of ‘liberal’ democracy, stressing limited government with political freedom, and ‘polyarchal’ democracy (in a sort of Schmpeterian model of democracy stressing government by political leaders) rather than that of ‘socioeconomic’ democracy stressing social and economic equality” (Kawata, 1986, pp. 457–458). The significance of his conclusion drawn from comparable data in two countries could be highlighted by Banfield’s observation that the “British still believe that the government should govern. And we (American) still believe that everyone has a right to ‘get in the act’ and make his influence felt” (Banfield, 1960, p. 67).

Trust in Pluralization

According to Senghaas, where social mobility and political awareness and involvement are allowed, and plurality is no longer a novel, elitist phenomenon but instead has turned into the mass phenomenon of divided and riven societies, “one is forced to consider the question of coexistence.” Senghaas asked how it is possible, under such circumstances, “to establish modalities for the constructive management of conflict which, despite the existing plurality, allow for reliable, non-violent agreements in the public arena?” In posing this serious question, he has to take into account his own realization that, “unhindered pluralism without institutional safeguards, that is, without a recognized and accepted legal framework, can mean civil war” (Senghaas, 2002, p. 116).
According to Douglas W. Rae and Michael J. Taylor, the stability of the polity depends on the degree of fragmentation and cross-cutting formed by cleavages that fall into three general classes: (1) non-scripted or “trait” cleavages such as race or caste; (2) attitudinal or “opinion” cleavages such as ideology or, less grandly, preferential; and, (3) behavioral or “action” cleavages such as those elicited through voting and organizational membership (Rae and Taylor, 1970, p. 1).

They make a summary of conventional explanations of democratic stability. There are two types. The first one, stressing factor (2), is a group of “consensus theories,” which seek to account for the viability of democracies, either in terms of an underlying consensus on fundamental democratic principles in a society, or in terms of patterns of “differentiated agreement.” Second, there are various “social pluralism” arguments. They, focusing on factor (1), insist that “too much homogeneity” as well as “too much heterogeneity” resulting from social cleavages, is detrimental to a stable democracy. Rae and Taylor critically observed that these theories are not focused upon “the relations between these cleavages, but rather upon the fragmentation produced by each cleavage separately.” In spite of their concern about the effects of several cleavages (Rae and Taylor, 1970, p. 85), they proposed the idea of “cross-cutting” (XC) to indicate the relations between cleavages, i.e. fragmentations, and presented Figure VIII-2. Rae and Taylor assume that F (fragmentation) is used as the measure of heterogeneity in arguments on social pluralism; and they simplify the problem by restricting attention to two cleavages, X1 and X2. F1 and F2 are associated with X1 and X2 respectively. They then propose the following hypothesis: (1) “If both F1 and F2 are either too low or too high, then democratic political organization is not likely to be stable”; and (2) “If the value of XC is too low, then democratic political organization is not likely to be stable.” XC means the amount of
cross-cutting between two cleavages (F1 and F2). According to Rae and Taylor, “If there is not sufficient cross-cutting between politically relevant cleavages, then democratic political organization is not likely to be stable” (Rae and Taylor, 1970, p. 106).

Figure VIII-2  The Relation between Social Pluralism and Cross-Cutting

Note: $XC = (1-F_1) + (1-F_2) - 2(1-F_c)^4$
Table VIII-1  DEMOCRACY and Race (USA)

<table>
<thead>
<tr>
<th></th>
<th>(1)</th>
<th>(2)</th>
<th>(3)</th>
<th>(4)</th>
<th>(5)</th>
<th>TOTAL</th>
</tr>
</thead>
<tbody>
<tr>
<td>White</td>
<td>0.401</td>
<td>0.109</td>
<td>0.027</td>
<td>0.106</td>
<td>0.048</td>
<td>0.690</td>
</tr>
<tr>
<td>Black</td>
<td>0.059</td>
<td>0.049</td>
<td>0.022</td>
<td>0.017</td>
<td>0.052</td>
<td>0.200</td>
</tr>
<tr>
<td>Oriental</td>
<td>0.025</td>
<td>0.007</td>
<td>0.003</td>
<td>0.013</td>
<td>0</td>
<td>0.048</td>
</tr>
<tr>
<td>Indian</td>
<td>0.003</td>
<td>0.001</td>
<td>0.001</td>
<td>0</td>
<td>0</td>
<td>0.006</td>
</tr>
<tr>
<td>Others</td>
<td>0.027</td>
<td>0.013</td>
<td>0.003</td>
<td>0.009</td>
<td>0.004</td>
<td>0.056</td>
</tr>
<tr>
<td>TOTAL</td>
<td>0.515</td>
<td>0.179</td>
<td>0.056</td>
<td>0.145</td>
<td>0.104</td>
<td>1</td>
</tr>
</tbody>
</table>

Note: (1)–(5) shows the best way of describing DEMOCRACY.

Table VIII-2  DEMOCRACY and Party Support (UK)

<table>
<thead>
<tr>
<th></th>
<th>(1)</th>
<th>(2)</th>
<th>(3)</th>
<th>(4)</th>
<th>(5)</th>
<th>TOTAL</th>
</tr>
</thead>
<tbody>
<tr>
<td>Cons.</td>
<td>0.122</td>
<td>0.053</td>
<td>0.017</td>
<td>0.057</td>
<td>0.015</td>
<td>0.264</td>
</tr>
<tr>
<td>Labour</td>
<td>0.172</td>
<td>0.091</td>
<td>0.024</td>
<td>0.065</td>
<td>0.035</td>
<td>0.387</td>
</tr>
<tr>
<td>Liberal</td>
<td>0.023</td>
<td>0.002</td>
<td>0.003</td>
<td>0.008</td>
<td>0.003</td>
<td>0.038</td>
</tr>
<tr>
<td>Soc. Dem.</td>
<td>0.014</td>
<td>0.009</td>
<td>0</td>
<td>0.012</td>
<td>0.002</td>
<td>0.037</td>
</tr>
<tr>
<td>Others</td>
<td>0.008</td>
<td>0.002</td>
<td>0.003</td>
<td>0.011</td>
<td>0.005</td>
<td>0.029</td>
</tr>
<tr>
<td>DK</td>
<td>0.107</td>
<td>0.069</td>
<td>0.009</td>
<td>0.042</td>
<td>0.020</td>
<td>0.247</td>
</tr>
<tr>
<td>TOTAL</td>
<td>0.446</td>
<td>0.226</td>
<td>0.056</td>
<td>0.194</td>
<td>0.078</td>
<td>1</td>
</tr>
</tbody>
</table>

Note: (1)–(5) shows the best way of describing DEMOCRACY.

Table VIII-1 and VIII-2 show the fragmentation and cross-cutting of DEMOCRACY, with Race included in the American sample, and Party Support in the British one.

In America, F1 was 0.667757, F2 was 0.478424, FC was 0.80201, and XC was 0.457839. In Britain, F1 was 0.695468, F2 was 0.688608, FC was 0.923135, and XC was 0.462194. These figures for both America and Britain fit into the framework of “possible stable democracies.”

Senghaas (2002) and Rae and Taylor (1970) emphasize “consensus” in plural societies. With that in mind, we may provide Robert Dahl’s following linking
argument. “The extent of agreement must be functionally dependent upon the extent to which the various processes for social training are employed on behalf of the norms by the family, schools, churches, clubs, literature, newspaper, and the like....The extent of agreement (consensus)....increases with the extent of social training in the norm. Consensus is therefore a function of total social training in all the norms” (Dahl, 1956, p. 76).

According to Theda Skocpol, chamber–based federated associations that recruit members from across class divisions, as well as occupations, foster social training in the United States (Skocpol, 2003). American civic society has been nurtured by voluntary associations based on relations within “conjoined” authorities. With the help of locally–federated political structures whose authority relations are similar to voluntary associations, there has been a commitment to political consensus–building by putting in place political societies consisting of competitive political parties, interest groups and “disjointed”–type federal governments (=state organizations). Robert Putnam, holding such a perspective in common with Skocpol, recognized the vicious aspects of “bonding social capital” which demands strong loyalty within the association and hampers the revitalization of civic society. Putnam recognized that this had a dysfunctional influence over American democracy (Putnam, 1993b).

On the other hand, European politics and societies which are easily influenced by social pluralism, have mitigated political conflicts by building political architectures based upon “the guarantee of minority rights, through the status of autonomy or consociational arrangements, that is one variety or another of consensual democracy” (Senghaas, 2002, p. 101).

But trust is “a sort of belief.” So, even when appropriate institutions, such as federal representative systems or consociational democratic systems, “are in place to enable people to cooperate, they may not do so” (Dasgupta, 2007, p. (228))
In a society where the degree of XC is too low, “indirect exchange”, as termed by Graziano, does not function well, and “too low trust” takes the form of “alienated” distrust. Such a situation may lead to the destruction of “tight control” or “may make political activity seem pointless.” By contrast, “too high may make it seem unnecessary” (Centre for Educational Research and Innovation, 2007, p. 80).

Conclusion

Examining the concepts of social capital and trust, we saw how individuals or groups embedded in social networks, institutions, or political cultures could form mutual cooperation and consensus through indirect exchanges of their individualized interests.

Robert Putnam tried to expand the possible range of cooperation and consensus by a revitalization of the “bridging” of social capital. But, even if the endless work of linking one “bridging” capital with another one can generate norms of cooperation, strong social solidarity and high levels of trust, we have also confirmed that the logic suggests this would not necessarily work well in the world of politics. Because, borrowing Bourdieu’s theoretical position which views social capital as class reproduction, “le champ politique” is a game that involves “the struggles for the monopoly of a legitimate principle of vision and of a division of the social world” (Bourdieu, 2000, p. 64. Translated by the author.). In all cases, either too high or too low, trust will not necessarily revitalize political activities.

In many Asian countries, the swift progress of democracy has raised hopes for a “generalized rule” referred to in the head epigram. Many scholars and activists expect to observe the effects of “bonding” social capital, which
“conjoined”-type organizations like the NGO, NPO, People’s Organizations or Grass-root Organizations (might) produce.

But, under an authority structure with low legitimacy where the functions of control and supervision are inefficient or corrupt, where obtaining resources is mired in incoherent taxation and enforcement measures, and where the linkages or challenges from government to the rest of society are based on informal, personal, or clientele criteria (Diaz-Albertini, 1993, p. 321), we cannot forget that in a repressive context, NPOs may “provide the only safe political space within which to oppose a regime” (Fisher, 1993, pp. 77-78).

Although Junichi Kawata did research in America and Britain to find out how “future citizens” develop a cognitive endorsement of DEMOCRACY, is it possible, and significant, to do a similar research on political socialization based on “primacy principles” and “structuring principles” functioning in stable democracies in Asian countries? It seems to me that this point is very important when we think about the democratization theory.

Now, the thesis of “social capital” has often been criticized for giving too low a priority to “cognition,” although it is considered significant for its grasp of norms or trust. Environments surrounding cooperative behavior orienting from “consensus” become more and more uncertain, especially in Asian countries, through economic globalization, “supercapitalism” (Reich, 2007) which unifies industries with finances, and cyber-politicization.
In such a circumstance, it seems to be important for the argument about “Democracy and Trust in Asia” that theories of social capital and trust must be connected to the evolutionary theory of trust, and must attach importance to the agency’s “cognitive” process in the theory of social exchange elaborated on by Luigi Graziano. Figure VII–3 gives an experimental and preparatory figure for such a future work.

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*Professor of Political Science, the Graduate School of Law and Politics, the University of Osaka, Japan.
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**NOTES**

1. Some provincial leaders have been slow to throw their support behind village-level balloting. As Kevin J. O’ Brien (O’ Brien, 2004, p. 113) notes, elections in large parts of Guangdong, Yunnan, Guangxi and Hainan only began in the late 1990s, a decade or more after the original Organic Law was passed.

2. As for organizations and movements in Asian civil societies, see Alagappa, 2004.

3. In America, I obtained the data in a survey of 835 fifth through twelfth grade children, conducted from May to October, 1980, in selected classes of seven schools in New Haven (CT) and in two areas surrounding Stanford University (CA). In Britain, data in a survey of 717 was collected from September to October, 1984, in selected classes of two secondary middle schools in Birmingham. Kawata studied the scheme of their psychological organization and the modality of their acquisition and selection via the analysis of American and British children’s responses to fifty words: community–related words like equality, liberty, nation; political regime/institution–related words like democracy, election, voting; partisan words like extremist, Democrat (Labour); national/international–dimension words like army, peace; words which do not necessarily have political connotation like discussion, prestige; socio–economic words like money, poverty, strike. From the analysis of cognitive and affective configurations of the American sample, Kawata found that the American child begins to know the concept of “equality” later than that of “liberty” and its correlation coefficients with “America,” “nation,” and “national flag” are not so high as in the case of “liberty” (Kawata, 1986, p. 250). EQUALITY has an ambivalent and controversial value in America. It is in line with common wisdom about American fundamental values. An analysis of Kawata’s British data has not been published yet. I gratefully acknowledge many helpful comments on this research by Professor Richard M. Merelman, the Department of Political Science, the University of Wisconsin, Madison, USA, the late professor Robert D. Hess, the Graduate School of Education, Stanford University, USA, and, Professor Bob Jessop, the Department of Government, the University of Essex, Colchester, UK (now the University of Lancaster).

4. XC is defined as the proportion of all pairs of individuals where both members are in the
same group of one cleavage but in different groups of the other cleavage. F1 is the fragmentation of cleavage \( X_1 \). F2 is the fragmentation of cleavage \( X_2 \). Fc is the probability that any two individuals are in different "cells" of the contingency table. When the number of items in \( X_1 \) row is \( i \) and the number of items in \( X_2 \) column is \( j \), \( F_1 \) equals \( 1 - \sum_{i=1}^{n_1} P_i^2 \), \( F_2 \) equals \( 1 - \sum_{j=1}^{n_2} P_j^2 \), and
\[
F_c = 1 - \sum_{i=1}^{n_1} \sum_{j=1}^{n_2} P_{ij}.
\]


5. Masao Aoki’s thesis on the "co-evolution of belief systems and institutions" seems to me very suggestive. See Aoki, 2008.

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