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Locke's Prerogative, Jay's Pirouette, and the Dilemma of Trust in
Contemporary Democratic Leadership
By Ken Ruscio

Note: This conference paper is a draft and should not be quoted. It is part of a larger project, a book-length manuscript on Democratic Leadership. The primary objective is to show that claims about the duties and obligations of political leaders are fundamentally claims about preferred forms of democracy. Consequently, political leadership studies should be seen as subsets of democratic theory. But democratic theory is itself a contentious battleground these days, and thus the state of leadership theory is unsettled. The larger project enters the fray and argues for a particular conception of leadership based on a particular set of democratic values. The first part of this project was presented at last year's ILA Conference and published in The Proceedings under the title "The Connections Between Democratic Theory and Leadership Theory: The Case of Public Reason." This paper might be subtitled "the case of trust."

I. Prelude

In July 2000, Jack Welch, the chairman of General Electric, the "Vince Lombardi of business", and the management icon of the moment, received a record-breaking \$7.1 million advance for his proposed book. Journalists were quick to explain the contract as the publisher's attempt to replicate the success of Lee Iaccoca's bestseller of the previous decade. Business had a good run in the 1990's. General Electric was one of the most admired enterprises, at least among large, established companies, and Welch's guidance was presumably one of the factors. Predictably, Welch was asked his view on a range of topics, but when it came to politics he demurred. "I don't touch politics," he said. The reason:

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In government, the best ideas don't always win. The president has to deal with Congress. In government, you're always compromising. You sell out on some principle and get something else for it. In business you're not. You can be totally free. In a company, we have the luxury of being able to remove values we don't like.¹

Welch's analysis suffers from oversimplification. And his phrasing-"selling out on principle"-reveals the usual perception among businessmen of the seamier side of public life. Yet he has stumbled into an important insight about political leadership. In a pluralistic society that places a high priority on toleration and individual freedom it is not possible to remove values we don't like. Achieving collective action in a permanently contentious setting is a fundamentally different challenge than in other settings. Politics is the unavoidable consequence of conflicts in norms and values, the method we use to cooperate in the absence of agreed upon criteria for the distribution of scarce resources. If citizens and leaders shared a common understanding on fundamental values, if differences of interpretation were rare, or if resources were abundant, the need for politics would disappear, for politics in the best sense is deliberating, bargaining and compromising among those who disagree.

Enter trust. The conditions that give rise to democratic politics are precisely those that reduce the likelihood of trust.² Francis Fukuyama, for example, provides this formulation: "The ability to associate depends...on the degree to which communities share norms and values and are able to subordinate individual interests to those of larger groups. Out of such shared values comes trust..."³ That is not the only way to describe trust. Fukuyama's is just one version amidst a literature that has grown considerably in the last decade as scholars, sociologists, philosophers, and social critics attempted to shed light on the widely observed phenomenon of declining trust in society. But it is reasonable to assume, and there is empirical evidence to support the claim, that trust develops more readily among like-minded individuals who share allegiances and common bonds. The relationship between trust and democratic politics is therefore problematic, marked by an inherent tension, characterized by inversely related circumstances. Trust thrives where politics does not. Like the arms suspended on a mobile, one moves in opposition to the other.

But that offers little reassurance to those who worry about the decline in trust now well documented throughout American society. One recent study reported, "America is fast becoming a nation of strangers and this mistrust of each other is a major reason Americans have lost faith in the federal government and virtually every other major national institution."⁴ Reactions have followed a predictable formula: an analyst's alarmed response followed by the analyst's preferred solution. Trust can be restored by-take your pick-term limits, balanced budgets, regulatory reform, reinventing government, campaign finance reform, responsible journalism, stronger political parties, more responsible elites, restrictions on lobbyists, vigorous local government, less government or more government.

This chapter takes a decidedly different perspective by exploring the particular question of the role of trust in any theory of democratic leadership. Does trust even matter, and if so why? What benefits does trust provide and why specifically is the decline in trust worrisome?

J. Roland Pennock, the noted political theorist, describes modern leadership as consisting of four tasks or functions:

- Aiding the thoughts of others by identifying and pointing out problems for which political action is appropriate;
- Enabling opinions to be effective once they are formed; providing goals and sets of ideals which people can support;

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- Obtaining the agreement of an effective coalition on any policy and establishing priorities;
- Translating the area of agreement into action.⁵

Leadership is the combination of all those tasks but the complexity of modern society and the growing scope of governmental action mean these tasks are not typically assigned to a single individual or office. They separate into various institutions and the relationships among those institutions and the individuals who inhabit them become, to some degree, formally constrained by their defined constitutional roles. Leadership thus becomes less personal, a development with significant implications for analyzing the dynamics of the rise and fall of trust. Political trust is not the same as personal trust. It is fundamentally different both in its origins and purposes than the kind of trust that develops among family, friends, and neighbors. There are many reasons why, as this chapter hopes to show, but one reason certainly is the difficulty of removing those values we don't like in our political relationships while relying upon compatible values in constructing our personal relationships.

There is another important implication. In the modern administrative state, the story of trust is the decision when and under what conditions we grant discretion. With only slight exaggeration, we might even claim that the dilemma of the modern administrative state as it confronts the demands of democracy is establishing equilibrium between accountability and discretion. If so, understanding trust in leaders is of more than theoretical interest. It goes to the heart of the everyday formation and implementation of public policy.⁶

II. Suspicion and Trust.

And so contemporary discussion of declining trust in American political life is complicated at the outset. On the one hand, mistrust of political authorities, not trust, rests firmly within the political tradition of liberalism. The rationale for the origins of the state and the need for political leaders stem from a belief in a flawed human nature—a social nature to be sure, but also one that is hard-wired to calculate self-interest before the good of the whole. On the other hand, to say that mistrust has a place in the foundation of our political life is not to say that trust has no place. Although we would not want to pay the price of eliminating the conditions that require us to resort to politics, we do aspire to live in communities of trust where citizens support each other and leaders pursue a common good. The concern with declining trust is not misplaced. It is indeed worrisome when the recent trend in the polls shows a precipitous and steady decline in the percentages of those who "trust government to do the right thing most of the time." But it is more complicated than it first appears. In Janus-like fashion we look both ways, adhering to political theories that feature mistrust of leaders as a basic tenet while lamenting the loss of trust. It is the paradox of American democracy.

It is also the paradox of American political leadership. Thomas Jefferson personified it. He may have actually created it, according to Joseph Ellis, one of his most perceptive biographers, who tried to take the measure of a man genuinely allergic to politics even as he continually immersed himself in it. In a culture that views political authority as a necessary evil, reluctance to assume leadership became a credential for leadership. Leaders must "cloak the exercise of power from public view," and make it "appear to be a tamer and more innocuous power than it really is." Ellis continues, "If there is also an inherent disjunction between the ideals on which the nation is founded (i.e., individual freedom, equality of opportunity and popular sovereignty) and the imperatives of effective government, imperatives which require the capacity to coerce and discipline the undecided and faint of heart, then effective leadership, especially at the executive level must be capable of benign deception." Jefferson fretted over power, mistrusted it, and provided the rationale to severely circumscribe it. The consequence, which Jefferson could not himself avoid, was the need to present arguments and marshal forces in a "manipulative milieu". The limits on power confronting the need to

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exercise power; a perspective that views authority warily while criticizing those who lack the skills to accomplish their ends in such a constrained environment; the practice of benign deception co-existing with the need to communicate truthfully--all result in a leadership "style based on the capacity to rest comfortably with contradictions."⁷

Trust lies at the heart of this paradox. To understand its place in a theory of political leadership, we must tolerate a fair amount of ambiguity and contradiction. It is possible, for example, to discern two quite different explanations for the loss of trust in leaders. One is that public officials pursue their self-interest to the detriment of others or in opposition to a general public interest. In politics or in their personal lives, people do not typically trust those who do not share their interests or acknowledge them. They may cooperate, but the basis of the cooperation is not trust. Loss of trust in this sense is mistrust, a judgment that the motives of others are not transparent or are in outright opposition to one's own interest.

The other explanation for the loss of trust is that public officials are not effective. Though leaders may share our interests and work to realize them, they too often fail. Citizens do not place their faith in them nor do they believe they have the ability to do what they promise even with the best of intentions. Loss of trust in this sense is a loss of confidence. This lack of faith may broaden to become a lack of confidence in "the system", the political and economic institutions in which public officials, however well intentioned and capable, find themselves. Writing in 1980, in the wake of the Vietnam War, the Watergate scandals, and President Carter's apparent inability to resolve the Iranian hostage crisis, the twin afflictions of inflation and unemployment, and the energy shortage, James L. Sundquist described a "crisis of competence." The result, he concluded, "The performance of the government has fallen far short of what the people have expected and have a right to expect."⁸ More recently, Joseph S. Nye, Jr. and several colleagues asked why people don't trust government and answered in terms of declining confidence among citizens in the ability of leaders to cope with the demands of the democratic process.⁹

In short, declining trust results from a judgment that leaders competently pursue their own interests, or incompetently pursue the public interest, or are essentially hamstrung by poorly designed institutions. All these perspectives are found within our political theories and in the diagnosis of contemporary ills, often so entangled with each other that analysis is impossible.

But if trust is part and parcel of the paradox, it also is part of the solution. The inherent problem of democracy in the administrative state is reconciling the political imperative of accountability with the managerial imperatives of flexibility and responsiveness. Our political theories advise us to restrain authority. Liberal thought begins with suspicion of power and it is only a slight exaggeration to say that the modern history of Western government is one of defining its limits. In America, the effort found its clearest expression in the Constitution—a set of formal checks and balances that ingrained in our political culture a dependence on procedures and organizational forms as the primary means to limit the actions of those in government. "The constant aim," Madison wrote, "is to divide and arrange the several offices in such a manner that they may be a check on the other—that the private interest of every individual may be a sentinel over the public rights"¹⁰

Our organizational theories tell us something quite different. Leaders must have discretion. Those who write the laws and administer them cannot possibly foresee the many complications that might arise. Society has become too complex and the scope of government too wide and varied. Organizational structures must be organic and dynamic rather than rigid and mechanistic. Consequently, the ways in which we seek the perfectly legitimate goal of political accountability often are at cross-purposes with effective leadership. Elaborate

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structures and procedures may protect the public against abuses of authority, but they may also result in the pathologies of inefficiency and risk aversion associated with excessive bureaucracy.

Trust helps resolve the predicament. As it varies, so does the tension between the competing imperatives. A high level of trust does not eliminate the mechanisms for accountability but it can make them less intrusive, providing discretion for leaders and a greater willingness to delegate. Chester Barnard, a management theorist, long ago referred to a zone of indifference, an area in which individuals would accept the direction of someone in authority.¹¹ Similarly, we might imagine a zone of discretion, the size of which depends upon the level of trust among the citizens, their elected representatives, and administrators. One of the most basic problems in leadership, at least within the prevailing theory of modern government, cannot be understood without a better appreciation of how trust causes the zone to expand and contract. In the words of literary critic Gabriel Josipovici writing in a much different context, the problem "is how to keep suspicion from turning into cynicism and trust from turning into facileness. Trust without suspicion is the recipe for a false and meretricious art; but suspicion without trust is the recipe for a shallow and empty art."¹² Substitute "politics" for art and Josipovici has deftly posed the challenge for understanding modern political leadership: a balance of suspicion and trust.

III. From Locke's Prerogative to Jay's Pirouette: The Modern View and Its Origins

Locke's Prerogative

If Machiavelli alerted us to the need for power and the virtue of exercising it, Locke alerted us to its vices and the need to constrain it. The 17th century British philosopher profoundly shaped modern views of politics, the individual and the state. The broad range of his writings on so many subjects has been extensively analyzed and his influence on the American founding, its emphasis on rights, freedom, and equality meticulously set forth. It is therefore a matter of convenience only that permits an intensive and selective examination of a few particular passages. But those passages-especially Chapter XIV in *The Second Treatise of Government*-are remarkable for the way they anticipate the dilemma of leadership in today's modern state. They are gateways. Through them we enter into an enlightening analysis of discretion and the duties and obligations of those placed in positions of "public trust".

Notwithstanding Locke's deserved reputation for limiting governmental power he recognized that inevitably officials need to make decisions in the absence of clear directives. "Many things there are which the law can no means provide for; and those must necessarily be left to the discretion of him that has the executive power in his hands, to be ordered by him as the public good and advantage shall require...[T]here is a latitude left to the executive power to do many things of choice which the laws do not prescribe." Locke called this "prerogative" and he defined it as "nothing but the power of doing good without a rule." He went even farther. Officials might at times legitimately contravene the law, acting with discretion not only when the law is silent but also when the law stands in the way of the community's benefit. Under some circumstances, a "strict and rigid observation of the laws may do harm," and the obligation to serve the public good could require the official to violate the letter of the law in the name of a greater good.¹³

But this was no license, for prerogative must only be exercised in pursuit of the public good (as opposed to the official's own personal benefit) and can only be exercised when the people trust the official. Locke thus constructs a critical linkage between trust and the common good, providing a key proposition joining together the ability of the leader to garner trust with the obligation to use that trust in a particular way. The "end of government is the good of the

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community." As long as the people judge that to be the goal of the official, they will trust him. Trust becomes both cause and effect. It enables the use of prerogative; the legitimate use of prerogative engenders trust. Drawing from the history of his native England, Locke found:

.... prerogative was always largest in the hands of our wisest and best princes, because the people, observing the whole tendency of their actions to be the public good...(and) it was visible that the main of their conduct tended to nothing but the care of the public. The people, therefore, finding reason to be satisfied with these princes whenever they acted without or contrary to the letter of the law, acquiesced in what they did, and without the least complaint let them enlarge their prerogative as they pleased, judging rightly that they did nothing herein to the prejudice of their laws since they acted comfortably to the foundation and end of all laws-the public good.¹⁴

Locke's justification of prerogative rests on two pillars. First, to be sure, the exact determination of the public good is not a simple matter and naturally there are differences of opinion among the people themselves as well as between the people and the officials. That is the essence of political debate. But short of discovering a clear public interest, we may still impose upon leaders the obligation not to act only in their own self-interest. The middle ground, if that is not too misleading a term, is impartiality--that is, a detachment or disinterestedness, an assurance that at a minimum the official will not use his office or the power of prerogative to advance one interest over another. This is an integral aspect of Locke's philosophy, originating with the fundamental argument over why people would ever leave the behind the primitive liberty they possess in the "state of nature" to form a political society and live under its regulations and restrictions. They would do so, he argues, because even though the law of nature is understandable to all rational creatures, "men, being biased by their own interest as well as ignorant for want of studying it, are not apt to allow of it as a law binding to them in the application of it to their particular cases." Moreover, "in the state of nature there wants a known and indifferent judge with authority to determine all differences according to established law."¹⁵ The virtue of impartiality is a prerequisite for trust and the exercise of prerogative.

Second, it is essential to understand how Locke distinguished legitimate political power from other forms of power. The concept of prerogative is a distinctly political phenomenon. It pertains to the particular responsibilities of political leaders. In describing it, Locke thus provides insight into his more general point about the separation of the public and private realms of society--and hence the inference we can draw about the distinction between political and personal trust.

Locke first distinguishes political power from paternal or parental. Parents use power in accordance with the law of nature for the "help, instruction, and preservation of their offspring."¹⁶ It extends over those whose capacity for reason is not yet fully developed. But the power does not extend "itself to the ends and jurisdictions of that which is political." For that we have the distinctly different political power voluntarily granted by those who possess reason to those who will govern them "with the express or tacit trust that it shall be employed for their good and preservation of their property."¹⁷ Finally, there is despotic power, a clearly illegitimate power because it does not serve the good of the people and hence they could not have reasonably consented to it (since no rational being would consent to being harmed). Contrasting the three versions brings the contours of the political realm into sharp relief: "he that shall consider the distinct rise and extent, and the different ends of these several powers, will plainly see that paternal power comes as far short of that of the magistrate as despotic power exceeds it."¹⁸ Prerogative is an exercise of power that makes sense only in political society. In despotic societies, the public good, upon which prerogative depends for its legitimacy, is not a motivating factor.

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Trust was indeed at the heart of Locke's liberalism. In a polity of individual freedom and constrained government, it was impossible for him to imagine interactions without granting at least some leeway to those with whom we interact, either citizen to citizen or citizen to ruler. To state the case even more emphatically, we must trust others if we aspire to anything more than the most primitive state of relations. John Dunn's analysis of Locke's trust led him to conclude, "Credally, just as much as politically, therefore, men's existence requires them to put their trust in what may well in practice prove to betray them."¹⁹ In Locke's world, according to Dunn, life is full of hazard, which is another way of saying it is full of possibility. Without risk, the potential of human life is limited; without trust, it is difficult if not impossible to accept some level of risk.

Locke's legacy also helps us understand that as we move from the family and civil society to the distinctly different realm of political society, the basis for trust shifts. "It depends," Dunn argues, "on many different sorts of considerations: on the contingencies of individual disposition, of the prevailing culture of a particular community and of the practical structures of material interests which are at issue."²⁰ It depends, in other words, on a mix of rational and affective factors, on both calculations of mutual interest as well as the suspension of calculation and strategizing with those we have come to trust. Locke's depiction of trust is a richly textured one, often in stark contrast to the contemporary analyses.

But it did leave at least one glaring void. When leaders violate the trust placed in them-when they show themselves to be untrustworthy by not pursuing the public good-there must be a readily available recourse other than appeals to heaven. Dunn once again usefully presents the predicament:

Human beings must and do trust their rulers. They trust them on the whole far beyond the latter's deserts, and to the damage of their own interest. But in the last instance they retain (and indeed have no power to abandon) the right and duty to judge for themselves how far their trust has been deserved and where and when it has been betrayed. And if they judge it to be betrayed, they have every right to act in concert and seek to re-establish for themselves a form of sovereign power in which they can, once again, rationally place their trust.²¹

The task of finding a method of removal takes us to a different stage in the development of political trust, one that requires consideration of processes and institutional design. It takes us to a different time and place.

Jay's Pirouette

The problem finds classic expression in *The Federalist Papers*, specifically number 64, an essay that draws far less attention than many of the others in that classic work. In describing the treaty-making provisions of the Constitution, John Jay, diplomat and future secretary of state, stumbles into a perfect illustration of our rather complicated perspective on trust in political life. His immediate purpose is to justify the apparently large amount of discretion given to the executive to negotiate treaties while arguing at the same time that the power is circumscribed. It's a variation of the delicate dance found throughout *The Federalist Papers*--and characteristic of much of our political theory.

The negotiation of treaties, an important function of today's national government, was understandably an even greater concern for the citizens of the new republic. Here was a classic leadership problem in a constrained constitutional order. Committing the new nation to the defense of another sovereign entity was a decision with high stakes, even as it promised some additional security for the United States by committing others to assist in our defense. Governmental actions of such magnitude surely fell into the category of those that required

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checks and balances. But even lesser treaties over trading privileges or boundaries or the exchange of land seemed to vest an uncomfortable degree of power in the hands of those sitting around the table, not the people at large. Jay, the seasoned and practical diplomat, knew, however, that the people could not sit around the table. Negotiators must negotiate, hammer out the details, master the fine points, compromise and bargain over the precise language. Moreover, adversaries on the other side of the table needed to know that the promises made by the representatives from the new republic would be honored. Diplomats, although surely answerable to the people, had to be more than mere ciphers and functionaries. How then to grant the leaders power while living up to the constitution's scheme of limiting power?

Jay's first strategy was to explain why citizens should have faith their leaders to negotiate a favorable treaty. The Constitution, he argued, ensures the selection of the most enlightened and respectable public officials who, having no private interests distinct from that of the nation ...will be under no temptations to neglect the latter. And if the observation be well founded that wise kings will always be served by wise administrators... so will their appointments bear at least equal marks of discretion and discernment.²² Throughout government's ranks will be people whose integrity and virtue will allow us to entrust them with the discretion necessitated, in the case of treaty making, by the demands for secrecy and dispatch." Wise and virtuous, they could be trusted. But if that is insufficient reassurance, Jay goes on to point out, consider that their interests will be no different from the citizenry. They will live under the same treaty as everyone else. How could reasonable, skilled, and wise officials negotiate a treaty not in their interest-and therefore not in the people's interest?

But in the essay's conclusion, Jay's dance culminates abruptly in an incredible pirouette.

In short, as the Constitution has taken the utmost care that they shall be men of talents, and integrity, we shall have reason to be persuaded that the treaties they make will be as advantageous as, all circumstances considered, could be made; and so far as the fear of punishment and disgrace can operate, that motive to good behavior is amply afforded by the article on the subject of impeachments.²³

We trust our wise and prudent leaders, but only so far. What the Constitution gives in the name of trust and administrative necessity, it stands ready to withdraw in the name of distrust and political accountability. The artistry and grace of Jay's pirouette is elegant. Some discretion is necessary; it is a managerial imperative. The negotiation of effective treaties requires secrecy and dispatch. To one degree or another so do many of the functions of modern government, such the setting of regulations, the enforcement of laws, and the day-to-day contacts with clients. However, we grant that authority--that prerogative--only if two conditions apply, both of them alluded to by Jay.

The first is the requirement that boundaries to the prerogative remain firmly in place. Political trust is always conditional. Citizens should never unconditionally trust leaders in the same way they unconditionally trust family, friends, and even neighbors. The prospect of doing so is unnerving, calling to mind images of autocracy, despotism, or regimes in which leaders have acquired and inevitably abused unconditional trust. Moreover, a measure of distrust is prudent because officials work in circumstances that would tempt one of even average moral character to neglect the public interest.²⁴ In the absence of boundaries around the discretion we grant to leaders--in the absence of insurance policies such as in Jay's discussion the article on impeachments--we are less inclined to grant discretion or to grant trust in a political sense.

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The second factor that determines the boundaries of discretion is the nature of the leaders themselves, their wisdom and integrity as well as the compatibility of their interests and the citizens'. Jay's discussion of the institutional design of the Constitution, in particular his reference to the article on impeachment, was indeed intended to show that an insurance policy against the violation of trust did in fact exist. But he emphasized much more how the design of the Constitution fostered (without guaranteeing) the recruitment to public office of enlightened and respectable leaders to whom we should be able to ascribe at least a modicum of benign intent. The apparent purpose of Jay's task was to inspire trust in leaders themselves, but in linking the development of trust to the proper design of institutions, Jay was also implying that political trust was in good part a trust in the institutions as well.

Jay's essay encapsulates the modern view of trust and leadership, blending the personal and the institutional. On the one hand, citizens need to trust their leaders and they do so when they determine that leaders share their interests as well as their values, and are wise and capable enough to achieve what they set out to do. On the other hand, the trust is bounded and conditional, the risk moderated by a kind of institutional insurance policy that acts as an additional "motive to good behavior."

Ward Just, the contemporary political novelist, captures the dynamic in a particularly vivid and metaphorical scene at a masquerade ball of the Washington, D.C. power elite, as one of the women wonders about one of the men.

Virginia Spears was avid for a peek behind the mask, thinking that she was staring into a man's soul when she was only looking at a second mask, the one that was even more untrustworthy than the first. She was interested in both dance and dancer, and it would be important to keep her focussed on the first, where the feet go when you're preparing a pirouette, not the spin itself, not the actual doing of it, but the preparation for it, the process.²⁵

And Jay's pirouette draws us to dance and the dancer, the person and the movement, the substance and the form. Regrettably, though, contemporary discussions of trust seem to have lost the intricacies of the legacy handed down by Locke and Jay. What they joined together, others have lately torn asunder.

IV. Mediated Trust and Political Capital

The topic of trust is not immune to the trend that pervades the social science and social philosophy today. In its broadest terms, it is, in Peter Berkowitz's words, "the restless ambition to bring the entirety of moral and political life, in all its complexity and its many-sidedness, under the sway of a single cause or an exclusive principle."²⁶ That of course is not a tendency unique to this day and age. But its current manifestation is the attempt to explain most of human behavior in terms of the single-minded pursuit of self-interest. Humans are rational decision-makers, the now familiar argument goes. Life is a series of choices, in both the public and private realms, and the calculus driving the choices is a weighing of the costs and the benefits of each alternative. The outcome is the selection of the alternative with the highest pay-off or the maximum utility. Beginning with this assumption about micro or individual behavior, social scientists go on to create elaborate models of collective action by aggregating the multitudes of individual rational choices.

Trust, however, poses something of a problem for this mono-causal approach to social behavior.

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On the one hand, trust as a feature of human behavior can be squeezed into the models of rational choice without too much difficulty. Simply, people trust others when they determine that the pay-off is worth the risk of trusting someone else. We grant discretion to someone else, calculating that the person will deliver benefits that made the risk worthwhile. "Trust is rational," according to William Bianco.²⁷ James Coleman, the late sociologist defines trust as "nothing more or less than the considerations a rational actor applies when deciding to place a bet."²⁸ When the focus shifts to the implications for collective action, trust becomes important as a way of facilitating cooperation. The problems that typically frustrate collective action, such as the tendency to "free-ride" on the sacrifices of other citizens, are easier to overcome in societies where levels of trust are high. Individuals more willingly grant leeway to others without having to depend upon coercive government, or highly codified and carefully negotiated legal contracts. To use the terminology of the model, the "transaction costs" are lower. Cooperation with mutually beneficial results (positive sum games) occurs more often than conflict (zero-sum games).

On the other hand, such characterizations of trust sanitize the concept, reducing it to something less than it deserves. Francis Fukuyama is one critic who rejects the rational choice depiction of trust.²⁹ Culture matters, he says, because it transmits the values of the society developed over time and passed on from generation to generation. The character of the community, its norms, traditions and cohesiveness foster trust. Trust is anything but another form of the pursuit of self-interest. On the contrary, we trust those who seem to acknowledge the legitimacy of our interests and give evidence that they hold a set of obligations requiring self-sacrifice. Trust may actually be the suspension of self-interest, better understood as a derivative of the community's values and norms.³⁰ Oliver Williamson, an economist who fully understands and appreciates the power of the rational choice model, is himself cautious about using it to analyze trust. He advises reserving the term trust for those "special personal relations that would be seriously degraded if a calculative orientation were 'permitted'."³¹ March and Olsen issue a similar warning.

The core idea of trust is that it is not based on an expectation of its justification. When trust is justified by expectations of positive reciprocal consequences, it is simply another version of economic exchange...[Trust instead] is sustained by socialization into the structure of rules, and rarely considered as a deliberate willful action. Thus, trust can be undermined by persistent untrustworthiness, but it is more likely to be undermined by coming to see the granting of trust as part of a voluntary contractual agreement, rather than as one of the normal obligations of political life."³²

The case I wish to make is that both perspectives have difficulties. To conceive of trust as merely the product of rational calculation is to strip it of any significance as one of the "normal obligations of political life." If it is merely another version of economic exchange, there seems little reason to complicate matters by calling it trust. Simple economic analysis of cost-benefit, utility maximization is the more parsimonious explanation. By the same token, to conceive of trust in the political realm as a product of affective (rather than rational) relationships and as contingent upon consensus on fundamental values and norms renders it problematic for modern pluralistic societies. Trust would be an unattainable ideal.

We seem caught in a vise, squeezed on one side by theories with cramped explanations of human behavior and impoverished views of politics and squeezed on the other by unattainable societies with harmony of norms. Is there a way of "avoiding the Scylla of rational choice perspectives on trust (which are often but extended studies on the condition of confidence in any interaction) and the Charybdis of a normative perspective (which would apotheosize trust as the conscience of a collective society...?"³³

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The rough outlines of such a perspective begin with premises handed down to us by Locke and Jay. A political version of trust is not the same as the personal, for we trust political leaders and other individuals in their capacity as citizens on a different basis than we do family, friends, and neighbors. There are many reasons why, but surely the most fundamental is that our political relationships are purposive, limited, and functional. They exist within institutions, formally designed and constitutionally proscribed-and consequently detached in significant ways from the individual who occupies the office. The commitment to these institutions develops over time and ultimately constitutes the political capital of society. Certain kinds of institutional arrangements by the way they structure relationships among individuals make trust more or less likely to occur. When they succeed, citizens gain confidence in them and learn to trust the institutions, their structures, and their processes. Citizens keep their eye on the dance as well as the dancer

The point is a complex but significant one. The consensus among individuals-the basis for political capital in society-is a commitment to the design of the institution and the processes it provides for the fair and just resolution of conflict. It suggests a counter-intuitive proposition. Political trust may actually depend on more rather than less structural and procedural complexity. By virtue of their particular design, certain institutions make us more willing to trust others in a political setting by protecting us from the harm that can result from a violated trust. Our intuitive understanding by contrast is that institutional complexity, elaborately codified rules, or complicated procedures are indications of weak norms and low levels of trust. But, that conventional view may be accurate only to the degree that we view trust in interpersonal terms or only to the degree that we accept Fukuyama's formulation of strong cultures as the necessary condition for trust. In the political as opposed to the personal, institutional complexity may promote trust.³⁴

The implications for leadership theory are significant. It complicates our claims about what leaders must do to acquire and preserve trust. The foundation of political trust in modern democracies depends not only on benign intent, rational and affective judgments, and the competence of the official to work within institutional constraints. It depends also on fulfilling a broad set of standards consistent with basic democratic principles. Dennis Thompson's subtle analysis of the Keating Five scandal is instructive. He develops the concept of "mediated corruption" which he defines as an activity that violates no laws, does not result in personal gain for the official, and may even be construed as normal politics such as, in this case, the "representation of a constituent" before a regulatory agency. In Thompson's words, "The public official's contribution to the corruption is filtered through various practices that are otherwise legitimate and may even be duties of the office. As a result, both the official and citizens are less likely to recognize that the official has done anything wrong or that any serious harm has been done." His conclusion is worth quoting at length:

With mediated corruption, we cannot decide whether corruption exists, let alone how serious it is, without paying attention to its effects on the democratic process and therefore without making moral judgments about the kind of democratic process we wish to encourage....We cannot assess either patterns of systemic corruption or instances of individual corruption without presupposing a theory of democracy. Because the concept of mediated corruption is theory-dependent in this way, we should not suppose that we can understand corruption without making value judgments about politics.³⁵

The same is true for a concept of political trust. A call for political trust is inescapably a normative argument. It requires assumptions of a pluralist state. It insists upon a politics with purpose beyond instrumental cooperation for only mutual benefit. It views politics as a continual discourse that helps citizens discern what they have in common with others and seeks to find institutional forms consistent with that enterprise. It obligates participants to

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develop the kinds of virtues that ensure rules of reasonable engagement in the public sphere and recognizes, as Gutmann and Thompson put it, that political institutions need to cultivate those virtues in citizens.³⁶

But it is also a modest, limited version of trust. Political trust is not the same as the unconditional trust we place in our friends and family. And the virtue it depends upon, while a demanding one that should not be underestimated, is nevertheless tailored for the political realm, to the forums where we cooperate on fair terms, committed to reasoned presentations of opposing ideas, trusting that others, whether fellow citizens or officials, will do their part as well, even as disagreement persists as a permanent condition of democratic society.

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