

‘Trust — the social virtues and the creation of prosperity’

by Francis Fukuyama

(Free Press; New York; 1995; ISBN 0 684 82525 2; 457 pages; hardback; £15.43)

This is a short bookmark rather than a full review. The editorial of this special issue proposed that Promise and Trust are the two deepest values of human relationships and that 21st C brand organisations will need to cherish these much more deeply and transparently than 20th C companies did. For marketers who have difficulty in getting their boardrooms to address such a soft sounding concept as trust, Fukuyama’s book may be a useful first reference. It shows how trust is embedded in the economics of leveraging intangible assets be this at the level of a company, a global network of companies or a national/regional economy. It is not a light read. This extract gives a flavour:

‘The satisfaction we derive from being connected to others in the workplace grows out of a fundamental human desire for recognition — every human being seeks to have his or her dignity recognised (ie evaluated at its proper worth) by other human beings. Indeed, this drive is so deep and fundamental that it is one of the chief motors of the entire human historical process. In earlier periods, this desire for recognition played itself out in the military arena as kings and princes fought bloody battles with one another for primacy. In modern times, this struggle for recognition has shifted from the military

to the economic realm, where it has the socially beneficial effect of creating rather than destroying wealth. Beyond subsistence levels, economic activity is frequently undertaken for the sake of recognition rather than merely as a means of satisfying natural material needs. The latter are, as Adam Smith pointed out, few in number and relatively easily satisfied. Work and money are much more important sources of identity, status, and dignity, whether one has created a multinational media empire or been promoted to foreman. This kind of recognition cannot be achieved by individuals; it can come about only in a social context.’

Thus economic activity represents a crucial part of social life and is knit together by a wide variety of norms, rules, moral obligations, and other habits that together shape society. As this book will show, one of the most important lessons we can learn from an examination of economic life is that a nation’s well-being, as well as its ability to compete, is conditioned by a single pervasive cultural characteristic: the level of trust inherent in the society.

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