A Historical and Social Interpretation of Low Trust in Italy and Korea*

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Trust is now considered an important basis for democratization and social and economic development, and the basis of social capital. However, southern Italy and Korea are classified as low trust societies, due to social problems such as organized crime, nepotism, and lack of cooperation.

How can we explain the low trust in southern Italy and Korea? We find some similarities in colonial domination—Spanish rule in southern Italy and Japanese rule in Korea. As the Hapsburgs and the Bourbons promoted mutual distrust in the south of Italy, Japanese colonial domination resulted in malicious distrust in Korean society. The "divide and rule" policy of the Spanish autocracy was not different from that of the Japanese colonial government. The Confucian tradition of trust was marred by Japanese colonial policy that was based on the oppression and exploitation of the Korean people. After Korea became a colony of Japan, the Korean tradition of community was intentionally destroyed by the Japanese colonial government.

After liberation Korea experienced continuous social turmoil such as the migration of farmers to urban areas, the emergence of industrial workers, and rapid urbanization. The military coup of 1961 and the military rule that ensued imply a continuation of a hierarchical society based on public demonstrations of violence. When the violence of Japanese colonial rule disappeared, a new violent military rule surged in its place.

However, when we explain the problem of distrust in the south of Italy with the tradition of the Norman dynasty's authoritarian state and the Spanish autocracy, we have to figure out how medieval traditions influence the realities of

the nineteenth and twentieth centuries. It can be a dangerous historical leap. It is difficult to refer all kinds of social problems to the colonial experience of Japanese imperialism. It is also not proper to conclude that trust is the source of all kinds of virtues and distrust all kinds of social diseases. We need to draw cautious conclusions on the colonial experience as the origin of the lack of trust in the societies of southern Italy and Korea.

What is Low Trust to Korea and Italy?

Why does trust matter? Trust is now considered an important basis for democratization and social and economic development, and the basis of social capital. In the political sphere, trust has been understood as a prerequisite for civil participation and the development of democracy and as a basic condition for the synergy of state and civil society (Putnam 1993; Hooghe and Stolle 2003). In the economic sphere, trust has been known to facilitate market transactions, elevate the efficiency of government and business (Kramer and Tyler 1996), and make possible the development of the overall national economy (Clague 1997) and economic equality (Rothstein and Uslaner 2005). In his book *Trust*, Francis Fukuyama considers trust as a factor that makes possible the formation of large business groups. In addition, trust plays an important role in reducing the uncertainty between persons and between institutions and in making society stable. When the members of organizations expect other members to behave honestly and that they are believable, we don't need to "pay the cost of a suspicious mind." Trust, the basis of social capital, is a lubricant that makes organization efficient (Fukuyama 1999:16).

Therefore trust is a necessary factor for economic growth, socio-political stabilization, and the formation of personal relationships. If transaction costs such as contracts and judicial institutions are decreased, the need for contracts and prosecution will be reduced. If transaction costs are reduced, the possibility for economic growth is increased. Fukuyama emphasizes that trust is a precondition for highly industrialized societies in the twenty-first century and a necessary ele-

ment not only for socio-political stability, but economic development.

Korean people believe that they should overcome the problems of distrust in Korean society in order to join the ranks of advanced countries. The mass media proclaims that the recovery of trust in Korean society is one of the most important and immediate reform projects that Koreans have to accomplish. For example, if the ruling party and opposition parties believe the words of each other, they can finish the endless confrontations between them. The win-win politics between ruling party and opposition parties is possible under conditions of trust. If we don't trust the market, the additional costs—that is, transaction costs—and inefficiency increase in the economy. If trust in government is low, citizens do not believe in the government and instead rely on Mafia protection for their lives and prosperity. Trust is also critically important to Korea's economic growth. The financial crisis of 1997 resulted from international distrust of the Korean economy.

According to Fukuyama, the characteristics of low trust societies are as follows: 1) weak intermediate associations; 2) a family-oriented society; and 3) small businesses are the center of the economy. The important characteristics of high trust societies are: 1) spontaneous sociality and 2) strong solidarity for community. In other words a society of strong solidarity for community is a high-trust society, whereas a society of weak solidarity for community is a low-trust society. Korea, Taiwan, Hong Kong, Italy, and France can be classified as low-trust societies. The economies of low trust societies have been populated by family businesses. This is clear when we look at Korea's big business groups that have been managed by family members like they are family businesses (Fukuyama 1995:30).

Fukuyama claims that in the case of southern Italy people show little trust in all others except family members (as is the case for the Chinese) and the power and number of intermediate associations between state and personnel are relatively weak and small. Also, like China, Italy lacks spontaneous sociability. Historically, Italy was ruled by a centralized and arbitrary state and this state eliminated the intermediate associations and tried to control the life of associations. Fukuyama cites the example of Montegrano in the southern part of Italy where Edward Banfield conducted research (Banfield 1958:115-6; Fukuyama 1995:98). Banfield pointed out that he was not able to find any kind of social associations. Social activities only included activities that were church and state made and centrally controlled. Putnam follows Banfield's arguments, explaining the differences between southern and northern Italy in the development of local

autonomy. Putnam (1993) analyzes the number and role of civic community in the whole of Italy, which is not based on blood ties and makes spontaneous sociability.

In this paper I do not start from the proposition that Korea is definitely a low-trust society from a Western point of view and the question of how to make Korea a Western high-trust country. I don't want to follow the mistakes of past modernization theorists who did not understand the characteristics of non-Western societies and argued that Westernization seems to be the best solution for all kinds of social problems in non-Western societies.

It is a matter of criteria whether society is low-trust or high-trust. Also the criteria can be chosen differently depending on the purposes. For example, Korean society shows high trust in individual relations, but has a low trust of public institutions and norms. It is argued that Korean society did not extend its high trust exhibited in the private sphere to the public sphere (Lee 1998).

Both Italy and Korea show high private trust and low public trust. Therefore, this paper examines why two countries show the same phenomena and identifies the historical origins of low public trust in a comparative historical perspective, asking the question of how Italy has tried to overcome low public trust and what Korean society has to do to overcome the problems of low public trust. In this article I will account for the historical and social origins that made South Korea and Italy low trust societies, compare the similarities and differences between these two low trust societies, and suggest ways to build a high-trust society in Korea.

Interpreting Low Trust Formation in Italy

Fukuyama classifies Italy as a low-trust society and explains the reasons why large companies are not well organized. The reasons come from Italy's familism. Is Italy really a low-trust country? Table 1 shows that Italy had the lowest rate of trust among European countries from 1976 to 1990. However, the gap in the trust rate between Italy and other European countries has decreased except in 1980, based on Table 2.

In The *Civic Culture*, Almond and Verba point out that Italy's political culture shows a low rate of trust. They explain that Italy has shown a political culture of suspicion, distrust, alienation, and low cooperation—a condition of low social trust. Ronald Inglehart points out that though there have been a lot of

Table 1 Change of Trust Rate among European Community

	1976	1980	1986	1990
Belgians	1.84	1.90	1.82	1.96
British	1.57	1.72	1.64	1.62
Danes	1.93	2.00	1.98	2.01
Dutch	1.94	1.97	1.94	1.97
French	1.54	1.60	1.63	1.83
Germans	1.68	1.76	1.75	1.84
Greeks	--	1.45	1.50	1.55
Irish	1.33	1.60	1.60	1.67
Italians	1.22	1.27	1.47	1.62
Luxemburgers	1.90	1.97	1.91	2.03
Portuguese	--	1.38	1.50	1.59
Spanish	--	1.42	1.53	1.72

Source: Kaase and Newton (1995:120)

Table 2 Difference in Trust Rate in European Community and Italy

	1976	1980	1986	1990
Rate of Trust (Mean)	1.55	1.63	1.66	1.75
Mean-Italy	0.33	0.36	0.19	0.14

Source: Kaase and Newton (1995:120)

changes in Italy in the last few decades, trust among people is still very low (Inglehart 1991:183; Misztal 1996:194). According to a 1980 survey, 24 percent of Italian people answered that they didn't believe other Italians. Southern Italians showed a lower rate of trust than that of Northern Italians in the category of interpersonal trust (Miszal 1996:194). For example, 28 percent of Northern Italians answered that "they don't especially trust other Italians" or "they don't trust other Italians at all." However, Italians showed higher rates of trust for people of other countries than the rates of trust for other Italians. For example, 68 percent of Italians answered that they believe Americans. On the other hand, in the 1990 survey, only 3 percent of Italian people answered that they can believe other Italians (Misztal 1996:194). When we look at the surveys of 1959-60, 1980, and 1990, Italians show relatively low rates of trust toward other Italians.

However, there is a controversy over whether all areas of Italy should be classified as low-trust societies or not. Italy can be divided into two parts; the industrialized northern area and the southern area of marginal economic activity.

The regional differences and antagonism between northern and southern Italy originated from historical experiences.

After the collapse of Rome, Italy was divided and conquered and ruled by foreign forces. In the fourteenth century Italy had two different patterns of governance. This became the origin of the socio-cultural differences of southern and northern Italy. While a communal republic was established in the northern part of Italy, a feudal autocracy took hold of the southern part. While the northerners changed into "citizens," the southerners were made into "subjects." In the north the feudal bondage became weak and equal citizens appeared. In the south of Italy feudal bonds were strengthened and a hierarchical order of society was established. In the northern part of Italy public officials enjoyed legitimate authority decided by the community, and they were responsible to the citizens. However, in the southern part kings monopolized authority and there was no need for the kings to be responsible to the people (Putnam 1993:130). While a socio-political royalty and support based on a horizontal social order were built in the north of Italy, in the south there came to be a socio-political royalty and support based on a hierarchical order. As a result, communal collaboration, mutual assistance, civic obligation, and trust were crucial virtues of citizens and extended the limits of family kinship in northern Italy. But in the south, hierarchy and order in society became important virtues (Putnam 1993:130).

Though in the seventeenth century the republics of northern and middle Italy collapsed and were feudalized again, civic culture burgeoned with the implantation of northern Europe's culture. In the south the legacies of a feudal autocracy continued. Frederick II's rule was a feudalistic and centralized autocracy. King and nobles ruled people as predators and dictators. In other words, the hierarchical social networks including extraction and subordination were fortified in southern Italy, while the tradition of association appeared under a horizontal social network in the north. The differences of hierarchical solidarity and horizontal network resulted in the differences of voluntary sociality.

The fact that foreigners, not Italians, ruled all of Italy south of the Papal States between 1504 and 1860 is crucial for our understanding low trust in southern Italy. In the south, Spanish rulers used distrust among people to aid Spanish domination. They taught subjects how to transfer their responsibilities to other subjects. This is the divide and rule (*divide et impera*) used by Bourbon Spaniards who replaced the Hapsburgs in 1724. They tried to ignite disputes between the Neapolitans and Sicilians in order to make the divide and rule policy successful until 1861 when Italy was unified. For Sicilians, the Bourbon

domination and the Neapolitan domination were not much different from each other (Gambetta 1988:161).

In southern Italy the Italians' poor living conditions were more serious and the Spanish kings' heavy taxes were more severe than in other areas of Italy. The biggest rebellions rose in Naples and Sicily. Hunger and freedom from foreign rule motivated the rebellions. For example, in 1647 Naples raised the biggest revolt against Spanish rule. For a few months the "common people" (*populo minuto*) and *populo civile* who were composed of merchants and lawyers established an independent republic, but in 1648 the Spaniards conquered by force and ruled them again. But this resulted in the decline of the crown's confidence in the barons and its policies were not even in anybody's long-term interests. Its policies had destroyed people's trust and the cultural networks that sustained trust. In 1707, Naples was turned over to Austrian hands and in 1724 it became an independent kingdom under Bourbon rule (Pagden 1988:128).

In southern Italy, so-called "Mezzogiorno" under Spanish rule, the distance between ruler and the ruled became wider and a patron-client system in politics was created (Putnam 1993:138). Spanish rule destroyed the horizontal human networks and intentionally promoted mutual distrust and conflicts among people in order to maintain the hierarchical relationship of subordination and extraction. Anthony Pagden points out that distrust was facilitated on purpose and used to rule. The Spanish princes who lived far from the main territory they dominated adapted very malicious methods to maintain their rule. The use of force was not enough for them to maintain their rule. The method was "divide and rule," including creating distrust among people and turning neighbor against neighbor (*depauperandum esse regionem*). The Spanish crown took away wealth and virtue and introduced ignorance, villainy, disunion, and unhappiness. Because the main concern of the Castilian crown was to secure revenue to fight foreign wars, they wanted to extract sufficient resources while strengthening political subordination. Therefore, the crown supported efforts by the nobles to squeeze people so long as the nobles met their requests (Pagden 1988:132). Robert Putnam describes the conflicts among people as follows:

> The peasants were in constant competition with each other for the best strips of land on the *latifondo*, and for what meager resources were available. Vertical relationships between patron and client, and obsequiousness to the landlord, were more important than horizontal solidarities. As Bevilacqua has written for the period 1880-1920: 'The peasant classes

> were more at war amongst themselves than with the other sectors of rural
> society; a war which fed off a terrain of recurring and real contrasts, both
> economic, psychological and cultural.' That such attitudes triumphed can
> only be understood in the context of a society which was dominated by
> distrust⋯ [T]he weight of the past, when combined with the failures of
> state authority after 1860 and the disastrous peasant-landlord relations⋯
> produced a society where *fede publica* (civic trust) had been reduced to a
> minimum: *'chi ara diritto, muore disperato'* (he who behaves honestly
> comes to a miserable end) was a noted Calabrian proverb.(Putnam
> 1993:142)

The problems of differences between northern and southern Italy result in a dual
structure in society such as "advanced vs. backward," "modern vs. traditional,"
"sound civil society vs. *clientelismo* society." Putnam explains in his book
Making Democracy Work (1993) why the introduction of local autonomy in
1970 in Italy was successful in the north, but not in the south. The reason why
local autonomy was not successful in the South is the distrust among people:
southerners do not believe each other. They are not successful in solving prob-
lems of public affairs by or for themselves. The number of voluntary associa-
tions in the south is half that of those in the north. In the south, hierarchical order
types of organizations such as the Sicilian Mafia have succeeded instead of vol-
untary associations. The citizens of central and northern Italy show the charac-
teristics of "born participants" that Alexis de Tocqueville noted in Americans,
but the southerners seem to have the features of the 'amoral familists' that
Edward Banfield describes, people who seek material and short-term interest for
their family and think others do the same. Banfield illustrates the features of a
village in southern Italy with a culture oriented only towards the small family.
Banfield finds the origins of amoral familism in Frederick II's domination of
Sicily and Naples. He built an autocracy that suppressed independent movement
and introduced a hierarchical societal order. There were no intermediate institu-
tions between king and subjects. The church was able to play the role of an inter-
mediary but it did so only to fortify autocracy.

But in northern Italy the church was a part of a burgeoning associative life
that included guilds and other voluntary associations. Venice, Genoa, and
Florence enjoyed political autonomy as well as economic prosperity. These
kinds of commercial activities and prosperity were possible under the conditions
of a high trust culture.

According to Putnam the main feature of the South was the "uncivic," the lack of civic mindedness called *incivisme* in French. Therefore the concept of equality as a citizen did not develop in the South. Public affairs belonged to someone else—*i notabili,* bosses, politicians, 'not for me.' People did not show interest in and did not participate in public affairs (Putnam 1993:115). When comparing the number of voluntary associations in the South with the North, we conclude that in the south association was not important. Because civil solidarity and civic participation did not appear, people were not interested in what the government was going to do. Putnam concludes that a civic culture results in trust, solidarity and tolerance, as exist in the North. The institutions in the North perform better than those in the South. He concludes that the civic involvement influences socio-economic performance, not vice versa.

In 1950, after World War II, the Italian government established *Cassa per il Mezzogiorno* and tried to industrialize the South, which remained relatively backward in economic terms. The government poured in a huge amount of money and tried to eradicate poverty and other Southern problems in the name of "special intervention" (*l'intervento straordinario*). Though there were some positive results in agricultural reform and industrialization, the main result was that bureaucracies took care of their own interests using a self-serving investment policy and through collusion with the Mafia. Due to these kinds of negative effects, the 'special intervention' did not create the desired industrial bases for autonomous development and a democratic civic culture (Kang 2000:75).

Putnam argues that the appearance of the gang association in the South is the result of a culture of horizontal distrust and vertical exploitation/dependence for over a thousand years (Putnam 1993:148). The Mafia is well-known as an institution based on paternalism and strong trust among only (family) members. The Mafia is also famous for its strong internal trust and internal code of behavior called *l'omerta*. Members of the Mafia (*Mafiosi*) are called "men of honor" (Fukuyama 1999:16). However, the internal norms of the Mafia are not extended to the outside, to non-Mafia members. The most important norms outside Sicilan society are "to take advantage of people outside your immediate family at every occasion because otherwise they will take advantage of you first" (Gambatta 1988). These kinds of norms do not lead to social cooperation or contribute to social and economic development. Organized criminality appears when there is a lack of intermediate associations between the government and the people; this makes the corruption of political and economic elites possible.

The Mafia organizes and develops on a ground of distrust. Diego Gambetta

(1993) considers the Mafia and the system of patronage as the price of distrust. He also identifies amoral familism or misguided individualism, where people ignore others' misfortune and seek only their interests, as the source of a Mafia culture. This kind of culture of distrust may explain the reason why only the South and not other areas of the Mediterranean have the Mafia. The Hapsburgs' intentional policy of divide and rule resulted in the destruction of public trust (*la fede pubblica*) and the maintenance of personal trust (*la fede privata*). People seek shelter in the private arena of family and close friends, avoiding social injustice, aggression, and unpredictability. The Mafia arises in places where public interest destroys personal trust and cooperation, rather than creating them (Gambetta 1988:159). From an economic point of view, the Mafia fills the socio-economic vacuum that appears in the transition from feudalism to capitalism. From a political perspective, people distrust public protection due to the inexistence of institutionalized public/government protection, and therefore turn to hierarchical personal loyalty. And the Mafia offers this kind of protection. The Mafia appears when public protection does not work and when conflicts arising from a lack of trust cannot be solved (Gambetta 1993).

Gambetta points out why the Mafia appeared in Sicily. First, there are no credible or effective systems of justice and law enforcement. Sicilians did not believe in fairness or the protection of the law in the seventeenth century. Therefore, Sicilians sought other institutions to protect them. This is the main reason why the Mafia appeared. Second is the lack of a reliable central agency. After people in the South repeatedly failed to find public institutions to protect them, they tried to find private institutions. In the case of the Pisticci people, they developed a system of patronage rather than the Mafia. Here we find the economic cause for the Mafia's emergence. If we cannot rely on the law, we cannot trust, trade will stall, and cooperation without personal connections will not be easy. In this situation society will turn to other forms of discipline. Gambetta explains one additional cause for the Mafia's emergence—low social mobility in southern Italy. When trust is lacking and there are severe restrictions on social mobility, the inducement for specialization as a means of achieving a superior position over one's peers is weak and "a deeply fragmented social world" results (Gambetta 1988:162-3).

Then why did the Mafia emerge in western Sicily? Gambetta explains that in eastern Sicily the upper class maintained their monopoly on power and defended successfully the challenges from the lower class wanting a share of the power. The solidarity of the upper class was strong and made the transition from a late

feudal system without the social tensions that happened in the west of Sicily.

The necessary conditions for the emergence of a Mafia were present in Russia after the collapse of the Soviet Union. In this view, some features of feudalism overlap those of socialism. Few people have property rights or the right to a legitimate resort to violence. Respect for property is maintained at the end of feudalism and socialism. People who have a lot of wealth increase their wealth, while property rights move from the few to many. However, the right to violence is not transferred to the wealthy and thus they fear losing their property and the demands of trust on public institutions soar. If the government meets these demands, there will be no problems resulting from the lack of trust. But in Russia after the collapse of the Soviet Union there were no clear laws to protect private property rights, and no capable government institutions to secure property rights and stabilize financial institutions. Since it would take a long time to set up these laws and institutions, people turned to private institutions to provide these kinds of services (Gambetta 1993:252).

Trust in the former Soviet Bloc countries, societies that had experienced fear and suspicion under totalitarian regimes, was relatively lower than in Western countries. The ruling Communist party destroyed the institutions that strengthened traditional values and tried to disorganize the family system and downgrade the value of responsibility, respect, and autonomy. During the period of transition, the new system failed to restore the former traditional values. In this situation the Russian Mafia replaced the former Communist party and took over the right to use violence. The Russian Mafia consisted of the former Red Army, former members of the Communist Party, and people who built their confidence providing private justice in the Soviet market (Gambetta 1993:253; Kim 2004:308-18).

Explaining Trust and Distrust in Korean Society

Distrust in politicians, distrust in government, distrust in education, distrust in law enforcement and so on have taken hold in Korean society. Is Korea really a low trust society? Based on Table 3, the trust rate of Korea has been below the midpoint and has declined since 1981. In other words, Koreans trust other people and institutions less than they did in the past. In the perspective of international comparison, Table 4 shows that Korea has a lower trust rate than Sweden and the United States of America.

Table 3 Change of Trust Rate in Korea   (Unit: Percent)

Year	Trust
1981	38.02
1990	34.17
1997	30.26

Question: "Generally speaking, would you say that most people can be trusted, or that you can't be too careful in dealing with people?"

Source: World Value Survey, various years: Chang 2002:101.

Table 4 Difference in Trust Rate in Sweden, the United States of America, and Korea
(Unit: Percent)

Country	Year	Trust
Sweden	1997	59.67
U.S.A.	1997	35.94
South Korea	1997	30.26

Source: World Value Survey, 1997: Chang 2002:101.

Where does this kind of high rate of distrust in Korea come from? The overall crisis of Korean society results from the overflow of traditional private trust and its misuse, and the lack of public trust that maintains social integration. Who bears responsibility for this crisis of low trust? Here I examine the origins of low public trust in Korean society.

What does trust (信) mean in traditional Korean society? Trust implies a regime's legitimacy, in other words, "trust from the people" in the context of the Confucian tradition of ruling. Trust was the combination of "trust from the people" and the "confidence from heaven." *Mangmin* (罔民) is when "politics do not acquire trust from people, when it deceives and exploits people." Examples of *mangmin* include "laws that change day and night, the ordinances that government officials change for themselves, and policies that are good only for officials and their friends" (Han 1999:7).

Society during the Joseon dynasty was a high-trust society from the perspective of the Confucian ethic, but not from Fukuyama's point of view. The concept of trust, or *shin* (信) in Korean, was the basis of society, based on Confucianism. Following the Confucian tradition, *in* (仁) as human-heartedness was the virtue of a person, while *shin* (信) has a relational concept and implied the virtue of a society. It is important that *shin* (信) functioned to fill the gap between king (王) and people (民) in the hierarchical society and to enforce the kings to fulfill their

duties. Therefore, it was essential for a king to earn the trust of the people.

The origin of low public trust in Korean society goes back to the distortion of modernization. The Confucian tradition of trust was marred by Japanese colonial policy, which was based on the oppression and exploitation of the Korean people. After Korea became a colony, the Korean tradition of community was intentionally destroyed by the Japanese colonial government. In sum, unity, cooperation, and trust among Koreans was intentionally destroyed by Japanese colonial rule. The colonial government adopted a divide and rule policy by using Korean collaborators and promoted distrust and conflict among Koreans. The colonial policy of cooptation resulted in the elimination of civic trust among Koreans and the building of hierarchical relationships between the Japanese colonial government and individual Koreans. In other words, the Japanese colonial government focused on breaking down the traditional relationships between Koreans and establishing relationships between privileged pro-Japanese Koreans and the Japanese colonial government. Because under Japanese colonial rule the "public" implied Japanese imperialism for Koreans, Koreans had to strengthen the structure of trust based on family members and relatives. The Japanese colonial rulers and their government were the targets of distrust. The laws, institutions, and education which the Japanese provided did not attract the trust of Koreans, for they seemed to benefit only the Japanese. In conclusion, during the Japanese colonial period there was no space for Koreans to build public trust.

After liberation from Japanese colonial rule in 1945, there were chances for Koreans to establish public trust based on their own constitution and economic system. However, due to the chaos that ensued in politics, economics, and society, as well as the Korean War and the establishment of a long military dictatorship, it was not easy to build social trust. We also must look at the role that military rule played in destroying civic relationships and strengthening a hierarchical social order. The military government worked as an obstacle for building public trust among people.

South Korea's rapid economic growth has been called a compressed, rapid modernization. During the economic growth period, its "growth first ideology" justified the institution of measures that focused only on goals, rather than fixing broken processes. The concentration on national goals yielded Korea's economic miracle, but damaged trust in government, public institutions, and legal processes. Economic efficiency took precedence over due process. People also began to distrust the process of wealth accumulation by *chaebols* (business con-

glomerates), because they saw how the business groups used government privileges in collusion with politicians. Therefore, people consider the government's confiscation of illegal capital accumulation and its redistribution of wealth as natural. The government's encroachment on property rights seems to be normal. In this situation big business groups and some capitalists depended on the regime's or politicians' protection in their pursuit of wealth. This is how collusion between Korea's capitalists and politicians emerged. There are no differences between the powerful politicians' protection of large capitalists in Korea and the Mafia's protection of businessmen in economic activities in Italy (Kim 2004:318-20).

However, there are some critics of the explanation that trace the origins of distrust to Japanese colonial rule. The first line of criticism points out that trust in the Joseon dynasty had already collapsed by the late nineteenth century. The Japanese colonial administration brought new westernized institutions and modern technology. The social change and economic achievement made by the Japanese colonial government was remarkable. Therefore, there seemed to be an increasing trust in Japanese colonial institutions for some Koreans. Second, there seems to be considerable trust building in President Park Chung-hee and his administrations. With an unprecedented economic growth ordinary citizens came to recognize the managing ability of the Park Chung-hee Administration. This phenomenon explains why there is a noteworthy decline in trust since the democratization of 1987. This criticism implies that the economic growth or social achievement of the government can increase the rate of general trust.

Comparing the Origins of Low Trust in Korea and Italy

In the case of Korea, it is difficult to deny the existence of amoral familism or exclusive familism that Banfield describes. The cohesion of family and exclusion of strangers are very strongly rooted in Korean society: nepotism, regionalism, chaebol management by family members, and sectionalism in party management are all characteristic of Korean society. When people emphasize only their own family or relatives, it means they also exhibit exclusive familism and a competitive spirit toward other families. Also the norms that are applied to their own family members are different from those that are applied to other families. If anybody becomes a member of their family, the members forgive almost everything of him. The family norms do not transfer into the norms of the com-

munity and the whole of society. The more serious implication is that people put their family's interests and family's glory before public interest. For example, anyone who has power puts his family, relatives, and followers at the center of the power and excludes and criticizes others despite their merits (Kuk 1998:6). This is the origin of regionalism and nepotism in Korean society and the reason why social justice does not work in Korean society. This is also the origin of low trust in Korea.

Korea's regionalism in politics, for example, the voting behavior and decision-making process, is an extension of Korean familism. Why do people vote for candidates with whom they are familiar with because of name, school ties, or birthplace? Because when voters and candidates are interwoven in the name of family ties or school ties or birthplace, voters can trust these candidates. In other words, voters calculate that after the candidates are elected, they cannot betray their voters' interests precisely because of the ties of family, school, and birthplace.

Why do chaebols manage their companies with family members? Why do Korean chaebols show characteristics of family capitalism? The entrepreneurs who were successful in business and built the chaebols do not trust managers who are not family members. They think they have established companies, and they and their family own the companies and *their* interests are the companies' interests. The problems of amoral familism can be solved only when Korean people extend their trust in family to the public sphere.

Jopok (Mafia or gangster violence in Korean) syndrome in Korea can also be explained by amoral familism. Koreans have two contrasting points of view on *jopok*. One is the view that gangster violence should be eliminated because they violate laws and destroy social order. But on the other hand, gangster culture looks good, because that culture puts its priority on an organization or group's interests before an individual's interest. This kind of attitude reflects the culture of Korean familism. Due to the loss of trust in laws people depend on violence and the fear from violence. People rely on the logic of power based on violence, not laws. Why are Koreans so accepting of the logic of power based on violence? They experienced rule under the Japanese military government and later the military coups of 1961 and 1980. Koreans became accustomed to government by violent power. It is very interesting that the Japanese colonial government and the Park military government had tried to eliminate all other domestic gangster groups. However, there are not many differences between gangster culture where gangster members show loyalty only for their group's own interests

and their boss and military culture where soldiers have to be devoted to their nation or their own group's interests and their generals.

In Korean society it is not easy to find large active voluntary associations that developed from small blood-tie groups or regional associations. Most large (voluntary) associations have been managed by a small amount of people who are connected by school ties, regional ties, or blood ties (Fukuyama 1995:140). The family centered (or blood centered) management of institutions appears in business organizations, the mass media, private universities, and even religious institutions. However, there is a lot of social criticism of this.

Family organization is the basic institution to build trust among members and the starting point from which to spread trust to society. Cultural similarities between Italy and South Korea can be found in that the two countries rely heavily on family ties. Voluntary associations that connect family and state do not develop well in societies such as Italy and Korea. However, there are some differences between the two. For example, though Italy developed small businesses based on family, Korea developed large business groups. But clearly the similarities between Italy and Korea in their lack of spontaneous intermediate associations and the organization of gangsters have their origins in colonial domination.

We find in both cases some similarities of colonial domination; for example, Spanish rule in southern Italy and Japanese rule in Korea. As the Hapsburgs and the Bourbons promoted mutual distrust in the south of Italy, Geoffrey Hawthorn (1988) argues that Japanese colonial domination resulted in malicious distrust in Korean society. The divide and rule policy of Spanish autocracy was not different from that of the Japanese colonial government, i.e., turning neighbors against neighbor. Because the Japanese colonial government collaborated selectively with Koreans, Koreans themselves were not sure who among them was collaborating with the Japanese (Hawthorn 1988:122). After liberation from Japanese colonial rule, Korea experienced continuous social turmoil such as farmers moving into urban areas, the emergence of industrial workers, and rapid urbanization. These kinds of social changes created tensions in Korean society between 1945 and the 1960s. The military coup of 1961 and the military rule that ensued were not escapable matters. Gambetta says, when a Mafia disappears, another big and well-organized Mafia appears. When the violence of Japanese colonial rule disappeared, the new violence of military rule surged. Because the military had a monopoly over coercive means in Korea, it did not allow any regional Mafia who wanted to share the power of patronage. Also the state owned intelligence agency, the KCIA, used distrust in Korean society to maintain the military

regime. The KCIA resorted to exaggerating the possibilities of a North Korean invasion and to arresting traitors based only on rumors in order to fortify military rule (Hawthorn 1988:124).

However, when we explain the problem of distrust in the south of Italy with the tradition of the Norman dynasty's authoritarian state, we have to figure out how the medieval tradition of history influenced the reality of the nineteenth and twentieth centuries. It could be a dangerous historical leap (Morlino 1995:176). It is easy to refer all kinds of social problems to the colonial experiences of Japanese imperialism. But there are possibilities of cultural and historical determinisms. It is also not proper to conclude that trust is the source of all kinds of virtues and distrust all kinds of social diseases. We need to draw cautious conclusions on the colonial experience as the origin of low trust.

Building a High-Trust Society in Korea

Koreans show a great deal of distrust in public institutions. Though distrust is a matter of degree, the overall distrust in politicians, government, education, and law enforcement implies that corruption is evident in every aspect of society and the law has not been enforced properly. Does all this mean that trust does not exist in Korean society? It is well known that private trust (*fede privata*) is high, though public trust (*fede pubblica*) is low in Korean society. For example, private groups of personal networks within public institutions have prevailed. Groups based on people from the same region or from the same high school exist and people turn to these private networks in their attempts to solve public issues such as taxation and law enforcement.

How can public trust be increased? De Tocqueville argues that civic community or civic associations should be prosperous. Civic associations, religious associations, moral associations, choruses, and leisure clubs can be organized without considering age, occupation, and race. People learn how to cooperate, how to follow rules and laws, how to share responsibilities, and how to trust each other in these associations. If these kinds of civic associations for public trust are successful, private groups, that is, private networks will weaken.

At the personal and social level, can a high degree of trust be restored? Distrust can spread easily, but trust cannot be restored easily. First of all, we need to build a society run by the law. The rules of the game should be fair and the law should be enforced correctly and fairly. Audit systems to evaluate a

company's managerial achievements should be fortified. Ownership and management should be divided in chaebol companies, the media, churches, and schools. A recall system or a congressional evaluation system to oversee politicians should be introduced. The judicial system, prosecutors, and police organizations should be independent of political influences. As Jaeyeol Yee argues, the "institutional basis to make possible the social cooperation and consensus to overcome the traditional bondage and trust should be build up" (Yee 1998b: 88).

The lessons of Korea are different from those of Western societies. Western democracies and capitalism were born from the institutionalization of distrust and the moral loophole has been filled by trust. But Korean society did not build fully legitimate public institutions that went beyond private trust. Therefore, it is necessary to evaluate cultural traditions and customs critically. As Southern Italy lacked trust as a source of social capital because of amoral familism, Korea had an authoritarian tradition that emphasized hierarchical relationships rather than horizontal relationships, and regionalism which depends on familism, school ties, and regional ties. Then, can we not escape from the trap of low-trust historical origins and culture?

But first we should recognize two central problems in Putnam's analysis, cultural determinism and historical reductionism of tradition (Tarrow 1996:390). What are the means of entering into the group of high-trust societies? The solutions should come from changes to institutions and the system. The most important mission for Korean society is to strengthen its social and legal systems to recognize that "a promise is a promise" rather than a problem, and "a law is a law" rather than a lie.

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