

THE WINHAM PAPERS

8. Trust and the Social Contract (2022)

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As discussed in prior essays, citizens in a cooperative society agree to limit their own selfish interests and pay certain costs in exchange for access to a common good that is otherwise inaccessible. This agreement is known as the *social contract*. The constraints on individual behavior in this contract take the form of laws, regulations, customs, and courtesies. In observing these constraints, the citizen *trusts* that the society, often through its government, will in fact provide access to a common good that is a *fair* compensation for the costs and constraints. Fairness requires that the benefits of cooperation generally exceed the costs, and that the costs and benefits are roughly identical for equivalent citizens. In every human society, there will be some individuals who try to pay lower costs or gain more benefits than is fair. For this reason, most societies have penalties and sanctions for those who violate the expectations of the social contract.

The unraveling of cooperation: Trust is the glue that holds a cooperative society together. If a citizen perceives that enough other people are under-paying the costs of the social contract or reaping an unfair fraction of the common good and getting away with it, they may be tempted to also abandon the social contract. As we have discussed in prior essays, if enough people abandon the contract there is a built-in feedback loop that will gradually push the society out of the cooperative mode and into an all-selfish one. Most reasonable models of social evolution posit a tipping point above which there are still enough cooperating citizens for the penalties and social pressure to constrain the feedback loop, but below which enough citizens have abandoned the social contract that it now favors other citizens doing the same.

Could this unraveling be happening now in our society? How would we know? Below are some symptoms that could indicate various stages in this unraveling and evidence for their current presence or absence:

- *Discourtesy:* Manners lubricate social interactions, eliminating or at least reducing potential friction. Their use communicates respect, and in a subtle way, a statement that the performer of the manners trusts that the recipient will reciprocate. Discourtesy communicates disrespect and the likelihood of subsequent social friction. There is no question that the usage of manners has greatly declined during the lifetime of this author. Many parents do not feel motivated to teach their children classical manners, and political discourse, even in legislative negotiations, is often totally lacking in basic courtesies.
- *Lying:* Trust relies heavily on access to the truth. When a person discovers that another has lied to them, it erodes their trust in that person. Multiple lies by the same person can completely undermine trust. Similarly, if a person believes that the government has been lying to them, this erodes trust in the government and even the whole system. There have always been charlatans selling fake goods, and politicians promising achievements they know will never occur. As long as they are uncommon and it is revealed that they are lying, they can be discounted, and it does not undermine trust in the social contract.

However, if enough people believe that the government is lying to them, the failure of trust can be quite widespread with the consequent undermining of the social fabric discussed above. As with discourtesy, lying has become more frequent at all levels of society in recent decades. There are even news organizations that routinely spew out falsehoods to millions of people. Different political factions in the United States currently disagree over what is the truth that should be taught to children in schools. Dictators in other countries often restrict access to information to keep their populaces from knowing the truth. None of this is good for the survival of cooperative societies.

- *Tribalism*: Tribalism has long been a divisive force in the United States. Slavery based on race has been banned, but the bad feelings between races continues to this day. Religious factions have often evolved and led to major conflicts both in the United States and in other countries. As we have discussed in prior essays, tribalism is one of the most common and dangerous threats to the stability of cooperative societies. Together with greed, it usually leads to one faction exploiting and taking advantage over resources to the detriment of another faction. Despite efforts to reduce or even eliminate tribalism, it continues to be a divisive force in the United States and worldwide.
- *Sexual Misconduct*: For both biological and cultural reasons, men and women usually have somewhat disparate sexual interests. Different cultures have dealt with this conflict in different ways. In some, the interests of women have been completely subjugated to those of men in the same society. Many modern societies make some effort to balance the two interests so they both feel they are being treated fairly. In the United States today, this process is still being undertaken. Men have routinely taken liberties with women including rape and this is now being dealt with through various levels of government. However, there remain men in this country who do not see why they should be limited in pursuing their interests as they wish. It is thus a continuing source of conflict.
- *Cheating*: There have always been people who have cheated on the laws, regulations, and customs in their society. Some people cheat by ignoring stop signs or speed limits, others by falsifying tax returns, and still others by having sexual intercourse with people outside their marriage. Almost any law, regulation or custom will be violated by at least a few people some of the time. Just establishing a law, regulation or custom is thus not sufficient. Each of these will be tested on occasion by people seeing if they can get away with violating them without being caught or punished. Have cheating levels increased? Surveys show that the fraction of students who cheat in school has increased significantly in the last 50 years, and currently more people glide through stop signs than perform a full stop. Other possibilities such as petty theft, infidelity, and tax evasion appear to wax and wane and it is often difficult to obtain suitable statistics. Overall, cheating has not declined in recent decades and if anything has increased in a number of areas.
- *Detrimental Alliances*: Cooperative societies can often deal with small pockets of people who have given up the social contract. However, the challenge becomes greater when these pockets form alliances and become a larger fraction of the society. Gangs undertaking illegal activities such as drug cartels and the Mafia can become large enough that they are serious threats to the society. Often such alliances are not restricted to

groups within the same society, but involve many different groups in other countries. These are especially difficult for a given country to eliminate or control. Drug trafficking has definitely expanded both nationally and internationally in the last 50 years. In addition, dictators in authoritarian states are increasingly collaborating to undermine cooperative societies that oppose them.

- *Interactions:* Note that many of the deviant behaviors above are contagious: if citizen see enough other people running stop signs or cheating on their taxes, and getting away with it, they may be inclined to follow suit. Also an increase in any of the above issues can provide license for people to test the water in others. If enough of the above symptoms are obvious, a person is likely to question whether the entire social contract is worth it. This generates the negative feedback that we have discussed earlier.

Roots of the problem: There seem to be many indications that the cooperative society known as the United States is starting to unravel. What is the likely cause? Every pundit has their favorite explanation at the moment. Evangelicals are convinced that it is the turn away from religion that has led to this problem. However, social scientists have shown that religious people are no less likely to break laws or violate customs on average than non-religious people. In fact, atheists are statistically less likely to break laws than religious people in the same society. Everyone knows about the sexual abuse scandals currently raging in the Catholic Church. And how often have we heard about the leader of some well-funded religious congregation being caught engaging in financial or sexual misconduct?!

Others point to the potential for online media to undermine a general respect and agreement about the truth. The country is rampant with conspiracy scenarios, some of which are totally unbelievable by many but deeply believed by others. Another explanation is that the large parties that used to dominate politics not only in the United States but in Europe have fractionated into many small and competing factions, making a majority consensus impossible. But that leaves open the question of what caused the fractionation. Another popular notion is that a backlash by white Christian men against the recent erosion of their political and financial hegemony is the major cause of distrust and intergroup friction.

If any one or two of the warning symptoms listed earlier stood out, we might be able to focus on reducing those problems specifically. But in fact, as argued, all of the symptoms seem to be present and growing. This suggests that there may be a widespread rejection of the social contract per se. When this is true, the same people who run stop signs are also likely to be rude and cheat on their taxes. If you have rejected the social contract in general, then there are no constraints on your behavior at all. One could argue that the only policy advocated by Donald Trump when running for office was the rejection of the social contract. He was a candidate who was always overtly discourteous, whose recorded lies reached epic levels, whose tirades against minorities and migrants were shockingly blatant, who was recorded in a video bragging about his sexual misconduct, who has cheated on every wife he has had including the current one and is accused of cheating on taxes and avoiding the draft, and who has actively recruited alliances with dictators in other countries who have also rejected a democratic social contract. Despite these overt violations of the social contract, millions of people have voted for this person and continue to support him. There has to be a reason why so many people suddenly have no respect

or at least trust in the social contract.

As noted at the outset of this essay, faith in the social contract requires that citizens perceive that the benefits they are getting from it exceed the costs. While modern society provides many benefits, the daily concern of most people is economic viability. One of the most striking findings of recent global research is the decades-long increase in economic disparity between the rich and the poor. The latter are increasingly unhappy that they cannot make ends meet, while the high end of the spectrum continues to increase wealth at an exponential rate. Whereas a chief executive in 1965 paid himself \$21 for every dollar he paid to the average worker, current chief executives pay themselves \$350 for every dollar they pay a worker. Unions and other mechanisms to ensure a living wage have gradually been phased out of our current society, and corporations have found multiple ways to hide funds and avoid taxes to the benefit of the chief executives. When many corporations moved factories out of the United States to employ cheap foreign labor, the workforce they abandoned found few alternatives for equivalent employment. The cumulative result is that many low and medium income people do not feel the benefits of the social contract make up for the costs. So, they lose trust in it.

The situation is exacerbated by current politics. Following the lead of former President Ronald Reagan, the Republican Party has abandoned all policies except the belief that each person has the right to make as much money as they can in any way they can get away with. They call this "free-market economics". They oppose taxes particularly on the rich, regulations that constrain their ability to make money even if they cause pollution or health issues, and having to contribute to any kind of social safety net. Their approach typically focuses on short-term profits even at the cost of long-term repercussions on health, the economic system, or even the viability of the planet. Because their wealth, and that of the lobbyists who fund their campaigns, is at stake, they are increasingly aggressive about controlling elections and punishing party members who do not toe the line. To further undermine the effective functioning of the cooperative society, they have incited tribalism in our society at multiple levels: racial, economic, and religious. In many ways, this party has not only abandoned the social contract, but is actively working to destroy it.

Why might other citizens buy into this Republican point of view? Being released from the constraints of the social contract clearly has some appeal: one no longer has to worry about the rights of others but can focus solely on improving one's own situation. Wealthy people benefit if they do not have to pay taxes or be regulated in how they can acquire more funds. On the other end of the economic spectrum, people who are currently having trouble making ends meet may feel that they have a better chance by ignoring all the constraints. As more people are tempted to reject the social contract, they may feel emboldened to challenge those who still adhere to it. This can quickly lead to a competitive tribalism in which defending one's economic model is both a duty and a matter of self-interest. And once such tribalism becomes established, even those who do not immediately improve their condition can now blame some other group such as blacks or Jews for their misery.

While capitalism is often blamed for fiscal inequality, corruption and greed are just as common in communist China and other economic systems. The issue is whether the economic system includes regulations that ensure fairness as reasonably defined in that society. The bottom line is that once enough people abandon any social contract based on fairness, the economic system

will gradually move to the all-selfish mode.

Solutions? Social movements often have large amounts of momentum. History is full of examples where it was difficult or impossible for a movement to change direction even when there were good reasons to do so. In the case of the unraveling of a cooperative society, the dynamics depend a lot on whether the society is still above or has fallen below the tipping point where the feedback loop becomes dominant.

It is not clear whether the United States has passed the tipping point or not. A recent opinion piece in the New York Times provided conflicting opinions about this issue. In a society as complex as this one, it is impossible to calculate the tipping point on theoretical grounds. And while polls give some indication where various citizens stand, it is not necessarily the case that any given fraction, such as 50% of citizens, can predict which way the society will go. In fact, given some compromises written into the United States Constitution, it is entirely possible for a selfish minority to take over the government and then stay in power indefinitely.

If we have not yet passed the tipping point, the kinds of policies that the Democrats are currently proposing would all work towards reducing fiscal inequity and pushing us back to a mostly cooperative society. These policies include restoring unions, setting a higher minimum wage, providing a broader social safety net including better healthcare, taxing the rich and corporations more heavily, setting constraints on corporations operating overseas unfairly, and reinstating environmental regulations scrapped by the prior administration. The current efforts by the Republican party to block voting rights of people who might vote against them need to be opposed at every level. It would also be useful if Donald Trump and similar figures were caught and punished for violating the constraints expected by the social contract. The fact that he can continue to get away with all his clear and overt transgressions just encourages other people to do the same.

If the United States has passed the tipping point, restoring the social contract society would be much more difficult. Republicans, who oppose all of the changes desired by the Democrats, would likely win the next election. They would then proceed to eliminate all remnants of the social contract that existed before and try to set up some sort of plutocracy. Given the strong political tribalism current in the United States and the widespread availability of guns, this could easily lead to a civil war and a partitioning of the country into pieces. It is alternatively possible that the Republicans' continued opposition to necessary disease and environmental controls could lead to a complete collapse of the society well before any civil strife broke out. Whichever trajectory occurred, the United States would then join the long list of sophisticated civilizations and empires that rose to great heights for a while, and then collapsed and disappeared. There are several very important lessons in this historical record, but for some reason Republicans are not interested.

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