

among individuals is not quite so central.

Why We Trust

Montegranan behavior is consistent with Hume's argument about our natural selfishness. Hume provided the basis for much of contemporary public choice. It is irrational to contribute to the provision of a public good. It is always more profitable to be a free rider (Olson, 1965). More generally, it never makes sense for people to cooperate in any way wherever there are mixed motives. If you can gain at someone else's expense, as in Prisoners' Dilemma games, defection is always the dominant strategy.

Hume spelled out why: I can do little to prevent you from renegeing on me later on. If we make binding agreements that would link my commitments to yours, we could resolve collective action problems. Without someone to enforce this contract, you cannot rest easy that I will fulfill my obligation. For a promise is just "cheap talk" (Crawford and Sobel, 1982). It costs me nothing to make a promise. You will recognize that I have ventured little and discount the value of my commitment in your own estimation of the costs and benefits of cooperation.

If you have no incentive to contribute to a collective good, you have no reason to behave morally in other realms. Why should you keep your promises? Why, apart from any consequences of getting caught, would you refrain from stealing? You wouldn't. Moral behavior is the same generic problem as contributing to a collective good. Someone who doesn't want to levy a tax to build a bridge would seek to find ways of cheating on taxes to pay for it. Both problems revolve around trust. If you trust someone, you will believe his/her "cheap talk." You could resolve collective action dilemmas: People who trust others are more likely to cooperate in Prisoners' Dilemma games (Deutsch, 1960). People might contribute if they believe that others will pay their share. They use a similar guideline for moral behavior, the Golden Rule: Do unto others as you would have them do unto you.

Public choice has taken multiple paths to account for how we get to cooperation. Two concern me here. One emphasizes life experiences, the other values. I believe that both are essential to understanding why people choose to behave morally. Both explanations posit trust as the way we get around collective action problems, but differ on where confidence in others comes from.

The first stays closer to the traditional public choice model. Diego Gambetta (1988, 217) sets out the problem of cooperation: "When we say we trust someone or that someone is trustworthy, we implicitly mean that the probability that he will perform an action that is beneficial or at least not detrimental to us is high enough for us to consider engaging in some form of cooperation with him." We learn from experience. Each interaction with someone in our community leads us to reestimate the costs and benefits of cooperation (Gauthier, 1986, 156; Hardin, 1992). Trust, on this view, is always contingent.

Hume (1960, 490) agreed that we learn by doing. We recognize that we are all better off if we fulfill our promises. From this experience we develop moral ideals about appropriate behavior that shape our future interactions. But experience is not sufficient to *maintain* reciprocity: "If we thought, that promises had no moral obligation, we never shou'd feel any inclination to observe them" (Hume, 1960, 518). The second argument about