Trust and reciprocity in inter-individual versus inter-group interactions: The effects of social influence, group dynamics, and perspective biases

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Abstract Using an experimental trust game, I examine whether the perspectives and behavior of group representatives and consensus groups differ from those of the same individuals in an analogous inter-individual situation. A primary goal of this research is to extend past work on trust and reciprocity by examining the impact of the social contexts within which social interactions are characteristically embedded. Specifically, this research concerns whether norms and dynamics of trust and reciprocity differ in the contexts of inter-individual and inter-group interactions. First, I examine whether dynamics of trust and reciprocity differ in various intergroup interactions where inter-group decisions are operationalized as 1) autonomous group representatives, i.e., individuals who are given the responsibility of unilaterally making a decision on behalf of a three-person group engaging with a group representative of another such group; and 2) consensus groups, i.e., group members making a consensus trust or reciprocity decision for their groups via a collective process with another such group. Results of these studies show that 1) people trust less and reciprocate less when responsible for a group or organizational decision as autonomous group representatives; 2) consensus groups do not differ from individuals in their level of trust but show dramatically less reciprocity. The group consensus mechanism in fact produced by far the lowest reciprocity level, significantly lower than that exhibited by either individuals or autonomous group representatives. Thus, inter-group trust and reciprocity dynamics are not readily inferable from their inter-individual counterparts. Moreover, an important implication is emerging here: the extent and direction of the discrepancy between individual and group choices in regard to trust and reciprocity levels and possibly other social preferences in general may depend importantly on the precise details of the group decision-making mechanism, for example whether decisions are made consensually, by majority vote, or by a group leader or representative. In addition to examining the level of trust and reciprocity that occur in these various situations, I also studied, using both behavioral and questionnaire data, the roles of self-interest, social influence, and group dynamics in trust and reciprocity perceptions and behavior. The results showed that there exist discrepancies between behavioral forecasts and the actual behavior, and that

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trusting behavior is driven strongly by expectation of level of reciprocation, while reciprocating behavior is driven strongly by the difference between trust expectation and actual trust received.

 $\textbf{Keywords} \ \, \textbf{Trust} \cdot \textbf{Reciprocity} \cdot \textbf{Individual-Group Discontinuity} \cdot \textbf{Decision-Making} \cdot \textbf{Social Influence} \cdot \textbf{Perception Bias}$

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