



# Australian Academy *of the Humanities*

## Trust and its discontents

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# Cost of trust – key themes

- Defining trust.
- Economic significance of trust.
- Cost of upholding trust.
- Pilot analysis of estimating cost of trust for U.S. economy.
  - Weighting employment-by-occupation by time spent/marginal product on trust-intensive work roles.
  - 35% of U.S. employment-by-occupation involved in trust-intensive activity.
  - e.g. managers, lawyers, accountants, tax agents, etc.
- Cost of trust – alternative estimating approaches.
- Implication of blockchain for cost of trust.
  - Disruption of existing trust-intensive work roles (Schumpeterian mechanism).
  - Reallocation of tasks within existing trust-intensive work roles (Kirznerian mechanism).
- Paper forthcoming in *Journal of the British Blockchain Association*.