TRUSTING WITH ONE EYE AND DISTRUSTING WITH THE OTHER”: NEGOTIATIONS AMONG CATIREIROS IN THE TRIÂNGULO MINEIRO AND ALTO PARANAÍBA REGIONS

“CONFIAR COM UM OLHO E DESCONFIAR COM O OUTRO”: AS NEGOCIAÇÕES ENTRE CATIREIROS DA REGIÃO DO TRIÂNGULO MINEIRO E ALTO PARANAÍBA

ABSTRACT

Although negotiation is regarded as one of the most fruitful business activities to address trust and honesty in decision making, studies on this topic are still necessary for the conceptual advancement of the field. This paper aims to analyze the relationships based on trust and honesty among the catireiros based in the Triângulo Mineiro and Alto Paranaiba mesoregions of the state of Minas Gerais, Brazil, in their negotiations. To achieve the proposed goal, we performed qualitative research, with an exploratory approach. Data was collected through semi-structured interviews with 31 catireiros of the Triângulo Mineiro and Alto Paranaiba regions and analyzed according to the postulates of French Discourse Analysis. We concluded that, on the one hand, honesty and trust are paramount for some catireiros and contribute to the strengthening of their prestige and reputation within the groups in which they are inserted. In other words, these values operate as a way of legitimizing who those catireiros are and how they negotiate. On the other hand, the catira is also characterized as a potentially opportunistic practice, which may involve mistrust, lies, manipulation, and dishonesty as elements inherent to its process and conditions for traders to obtain advantages in their catiras.

Keywords: Trust; Honesty; Catira; Negotiation.
RESUMO

Embora a negociação seja considerada uma das atividades empresariais mais profícuas para se compreender a confiança e a honestidade na tomada de decisões, estudos sobre tal temática ainda são necessários para o avanço conceitual na área. Dessa forma, o objetivo que norteou este trabalho foi analisar as relações baseadas na confiança e honestidade entre os catireiros da região do Triângulo Mineiro e Alto Paranaíba em suas negociações. Para atingir o objetivo proposto, utilizou-se da abordagem da pesquisa qualitativa, de caráter exploratório. A coleta de dados foi feita mediante entrevistas semiestruturadas com trinta e um catireiros da região do Triângulo Mineiro e Alto Paranaíba e a análise de dados foi feita por meio da Análise de Discurso Francesa. Assim, é possível afirmar que para alguns catireiros a honestidade e a confiança são imprescindíveis e contribuem para o fortalecimento do seu prestígio e da sua reputação no grupo em que estão inseridos, funcionando, então, como forma de legitimar quem são aqueles catireiros e a maneira como eles negociam. Por outro lado, a catira também se caracteriza como uma prática potencialmente oportunista que pode evidenciar a desconfiança, a mentira, a manipulação e a desonestidade como inerentes ao seu processo e como condições para um negociante obter vantagens nas catiras.

Palavras-chave: Confiança; Honestidade; Catira; Negócios.

1 INTRODUCTION

Studies on interpersonal and interorganizational trust relationships bring up complex and frequent debates in academia. Economists, sociologists, and philosophers in the fields of politics and ethics, as well as administrators, have debated it, proving that trust is an interdisciplinary research topic (BACHMANN; ZAHEER, 2006; WELTER, 2012). As in other areas, the definition of the term “trust” in management studies is problematic, controversial and evasive, as it is approached from various perspectives (CHOUDHURY, 2008; GULATI; NICKERSON, 2008). Therefore, its definitions are situational and may vary in different contexts (IBBOTT; O’KEEFE, 2004, p.133).

For the purposes of this study, trust refers to one’s expectations regarding the intentions and behaviors of another subject or workgroup, in which there is a mutual expectation as to the fulfillment of what is agreed between the parties, and the non-exploitation of their vulnerabilities (CHILD, 2001; LEWICKI et al.,1998; MAYER et al., 1995; ROUSSEAU et al., 1998; SKINNER et al., 2014). In other words, trust is relevant because of the uncertainties regarding people’s actions when in situations of risk (LUHMANN, 1979) and involves the belief that others will act honestly and willingly (VALENZUELA; CONTRERAS, 2013).

Early studies on trust in administration have focused on its role in the structure and interactive processes of organizations, as well as the improvement of individual competence (WHITNEY, 1993). Subsequently, other authors analyzed the importance of trust for the development and success of organizations and work teams (CHILD, 2001; JANOWICZ; NOORDERHAVEN, 2009). Currently, there are prominent studies approaching trust from various perspectives, such as a factor of internationalization of small enterprises (FINK; KESSLER, 2010), a means to lower the costs and risks of business transactions in hostile or turbulent environments (PUFFER et al., 2010), a strategic advantage for family businesses (FINK, 2010), a means to achieve flexibility of human resources (ZOLIN et al., 2011), and an element associated with workers’ identity (DRIVER, 2015), employability (CREMIN, 2010), and even change management (SEARLE; SKINNER, 2011).

In this context, negotiation can be perceived as one of the most fruitful business activities for studying trust, as it occupies a vital role in society and is prolific in ethical dilemmas (SOBRAL, 2009). Perceived trust and honesty influence the ways individuals engage in economic relationships (ZSOLNAI, 2004), and can improve the efficiency of these interactions by reducing uncertainties. However, only in the last twenty years trust has come to occupy a prominent place
in the Brazilian academic and business environment. (DRUMMOND, 2007). In addition, many studies have addressed this theme accidentally, unaware of the nature of the phenomenon and without delineating a clear definition of the construct (WELTER, 2012). Therefore, trust needs to be studied further in administration, by exploring the positive and negative effects of trust in negotiations, the trust-mistrust duality (WELTER, 2012), and the different levels and contexts in which it takes place (SAUNDERS et al., 2014).

This study aims to analyze the relationships based on trust and honesty among the catireiros of the Triângulo Mineiro and Alto Paranaíba mesoregions, in the state of Minas Gerais, Brazil, in their negotiations, which are also known as catiras. Catiras are continuous commercial relations of all sizes, which generally involve the exchange of animals for consumer goods, agricultural products, money, or a small portion of each, and vice versa (PALHARES et al., 2019). Governed by specific practices, the catiras are responsible for generating, conserving, and expanding the income of numerous families in the inlands of the state of Minas Gerais. They do so by “dynamizing large and small businesses, creating and distributing wealth, consolidating savings and expanding business assets by establishing customary relationships of trust that underpin new and continued exchanges between economic agents” (RIBEIRO; GALIZONI, 2007, p. 72). The catireiros are often associated with attributes such as trust, honesty, and reciprocity, in addition to being recognized by the other members of the local community by their occupation. Therefore, in case these traders become known for and recognized as bad traders, in the sense of carrying out scams and “tramoias” (machinations) or engaging in deceitful behavior in their catiras, they will have their reputations and identities associated with dishonesty and distrust, thus damaging future negotiations (RIBEIRO; GALIZONI, 2007; PALHARES et al., 2018).

To achieve the proposed goal, we conducted qualitative research with an exploratory approach. The data were collected through semi-structured interviews carried out with 31 catireiros of the Triângulo Mineiro and Alto Paranaíba mesoregions, in the state of Minas Gerais, Brazil, and analyzed according to the postulates of French Discourse Analysis. This paper is divided into five sections, as of this introduction. The next section will present the theoretical framework of trust and honesty in negotiation. Then, we will discuss the methodology adopted in this study. Subsequently, we will analyze the data about relationships of trust and honesty among the catireiros in their negotiations, before presenting the final remarks.

2 TRUST AND HONESTY IN NEGOTIATIONS

Negotiation is one of the most promising business activities to study trust and honesty in decision making (SOBRAL, 2009), as it is, by definition, a socially guided interaction by individuals or groups with different interests (BARRY; ROBINSON, 2002). The Program on Negotiation of Harvard University defines negotiation as a debate between two parties, which examine different subjects, explaining their interests and trying, through offers and counteroffers, to resolve their disagreements. In other words, it is a reciprocal communication to reach agreements when some interests are shared, but others are opposed (FISHER; URY; PATTON, 1993).

In seeking to reconcile divergent interests without however sacrificing the individual ones, each party may want to adopt a more manipulative or dishonest behavior in certain cases. Therefore, the very definition of negotiation understood as “a process of potentially opportunistic interaction by which two or more parties, with some apparent conflict, seek to do better through jointly-decided action than they could otherwise” (SEBENIUS, 1986, p. 11), can expose deceit and dishonesty as intrinsic characteristics of negotiations, required for someone to be regarded as a good trader (DEES; CRAMTON, 1991; LEWICKI; ROBINSON, 1998).
According to this view, deceiving others as for their true position and inducing them to errors are at the core of negotiations, for lying is inherent in the exchange process and negotiating means defending interests, taking sides and adopting a competitive posture (PEPPETT, 2002; WHITE, 1980). Negotiating is a game governed by specific rules, so that omission, bluffing and lying are perceived as legitimate in this context. Negotiators who fail to acknowledge this reality will lose opportunities and be at a disadvantage in their negotiations (CARR, 1968). Nonetheless, Bachmann et al. (2001) point out that it would be difficult to establish and maintain successful organizational relationships in the long term without cultivating a certain degree of trust and honesty. Therefore, these have been recognized as important cultural phenomena within a society, as they drive the interactions and expectations of participants in negotiations.

Trust has been addressed by several disciplines and therefore lacks a consensual definition. The meaning adopted in this study refers to one’s perception of the likelihood that other subjects will behave in an expected and honest way during a negotiation. In other words, two parties cannot be certain that the expectations of one of them will be met, but there is a degree of belief that what has been agreed will be fulfilled and that the other party will not exploit the other party’s vulnerabilities (CHILD, 2001; LEWICKI et al., 1998; MAYER et al., 1995; ROUSSEAU et al., 1998; SKINNER et al., 2014). Luhmann (1979) agrees by stating that trust is vital because it reduces the complexity of societies and allows social life to run smoothly. In turn, Shapiro (1987) defines trust as a social relationship in which an individual invests resources, authority, and responsibility elsewhere, and the future reward is normally uncertain.

Several authors have described the levels at which trust is established, whether they are personal, collective or institutional (HÖHMANN; WELTER, 2005). For Newell and Swan (2000), trust is a multidimensional concept that has several meanings, which nonetheless share three assumptions: (1) the existence of a degree of interdependence between those who trust and those who receive trust; (2) trust provides ways to bear risks or uncertainties in exchange relations; and (3) the existence of a belief or expectation that the vulnerability resulting from the acceptance of a given risk will not render the relationship disadvantageous. Furthermore, building trust is not only time-consuming, but also laborious (WEHMEYER et al., 2001), and this belief is hardly attained in short-term relationships (HOECHT, 2002). Therefore, when trust is established, the involvement between partners is increased, thus reducing the ability to analyze risks and limiting the search for new opportunities with other partners.

According to Hardin (2002), trust can be defined as an “encapsulated interest”, as the expectations of individuals who trust are based on the perception they have regarding the motivations of the parties who receive their investment of trust. Therefore, even if these individuals have certain differences in the scope of their incentives and interests, the existence of a common point of interest may encourage an individual to make a trustworthy investment in another one. Depending on the individuals participating in the interaction and the specific context, a relationship of trust can be established on different grounds, in diverse ways, and at various levels. It is possible to trust one person constantly, in the context of several issues, or you can trust another person only once, in the context of a few specific issues. Fisher, Ury, and Patton (1993) argue that the negotiation game requires trust between partners, so as to avoid unnecessary confrontations, because if the degree of distrust among traders is high, an impasse is likely to occur, which may even lead to the end of the negotiation altogether. Therefore, as the need to negotiate is based on the interests, assumptions or motivations of participants in counterpart positions, we must realize that behind this apparent antagonism, common interests can be explored in terms of ranges of agreement. Furthermore, different interests can nonetheless be harmonized (FISCHER; URY; PATTON, 1981).
However, despite being beneficial to negotiations, trust can cause problems and lead to unwanted or disadvantageous risks and consequences for one of the interested parties (SKINNER et al., 2014). Various theories describe instruments to minimize it, such as contracts, rewards, punishments and other forms of control. Among the negative effects, Patzelt and Shepherd (2008) cite the possibility of context misjudgment; that is, the occurrence of situations in which one of the parties deviates from a critical limit of trust so that their trust in the other party becomes inadequate and entails considerable disadvantage in a given negotiation. In turn, McAllister (1997) points to the susceptibility of trust relationships to persist in failed business relationships.

As for honesty, Gibson (1994), Kennan and Wilson (1993) and Reitz et al. (1998) advocate that it translates into better results in negotiations, by avoiding costly consequences such as rigidity in future negotiations, the destruction of the relationship with the counterpart, the creation of a negative reputation, the escalation of conflicts and the loss of opportunities. For these authors, although opportunistic and deceptive attitudes can bring advantages in the short term and a negotiation based on ethical behavior can lead to vulnerabilities for negotiators, being honest, open and trustworthy is a rational response strategy in scenarios of future uncertainties.

Other scholars understand honesty as a component of trust that defines compliance with agreements, whether formal or informal, explicit or tacit, which can solve conflicts (TEIXEIRA; POPADIUK, 2003). If an individual tends to be honest, he will tend to recognize, respect and comply with the agreements at every event. This creates an expectation that such behavior will remain in the future and favors the development of trusting relationships. Therefore, honesty can be a component of trust, as the more often agreements are fulfilled and the fairer the resolution of conflicts, the greater will be the degree of trust between parties (TEIXEIRA; POPADIUK, 2003). Trust creates a constructive environment where people can be receptive and willing to listen and provides relevant information that can lead to the successful development of negotiations (FISCHER; URY; PATTON, 1993).

Trust and honesty, which are crucial in the organizational world, take on interesting proportions when it comes to the practice of catiras. As evidenced by Ribeiro and Galizoni (2007) and Palhares et al. (2018), trust, honesty, and reciprocity are prominent characteristics in the negotiations among catireiros. According to these authors, the catireiros need to be known and recognized in the region where they work, to have a name associated with the idea of trust in business, and to be cunningly enough to recognize catira opportunities. Therefore, trust and honesty (re) create and reinforce affective ties among catireiros and help to sustain their business relationships.

According to Palhares et al. (2019), the catira is not just any business, but a form of essential exchange. Indeed, such exchanges “are based on the trust and the reputation of the partners, distinguished by personal stories, requiring a lot of conversation and, sometimes, a staging borrowed from the ‘truco game’, even when, from the beginning, everyone already knows how a deal will come out” (RIBEIRO; GALIZONI, 2007, p. 69). The authors also reinforce the importance of these attributes in catira negotiations by stating that once the catireiros build a good name, they can even do business without financial capital, solely based on trust and honesty. In this sense, it is worth noting that individuals rely on the discourse of trust to validate who they are and what they do (DRIVER, 2015). Furthermore, trust stems from the recommendations and experiences of members of a community (WILLIAMSON, 1993) regarding the reputation of other people. That is, it regards the individual knowledge of past behaviors, shared rules and codes of conduct within groups (WELTER; SMALLBONE, 2006).
3 METHODOLOGY

In order to analyze the relationships based on trust and honesty among the *catireiros* of the Triângulo Mineiro and Alto Paranaíba mesoregions in their negotiations, we performed qualitative research with an exploratory approach. This choice is justified by the possibility of understanding the complexity of the phenomenon investigated in detail, with the least possible distance from the scenario in which it occurs, without intending to achieve regularity, but understanding the subjects and the actions that lead them to act in a certain way instead of another (GODOI et al., 2010).

The exploratory approach aims to address the studied phenomena as they are, along with their meaning and context, for trust and honesty remains to be fully explored in management studies (WELTER, 2012), particularly in the scope of small enterprises and ordinary managers. Hair et al. (2016) explain that exploratory research often leads researchers to new approaches, perceptions, and terminologies, thus providing them with greater familiarity with the associated issues, as there is currently a gap in studies on the topic addressed herein.

The research corpus consists of data collected through semi-structured interviews with 31 *catireiros* who currently live and work in the Triângulo Mineiro and Alto Paranaíba mesoregions of the state of Minas Gerais, Brazil. To ensure privacy and meet the confidentiality criterion proposed to the research subjects without jeopardizing the study, the names of the surveyed *catireiros* were coded as C1, C2, C3, up to C31. It is worth mentioning that the average duration of each interview was approximately 45 minutes. The data were collected from June to November 2015 and the interviews were conducted at livestock auctions, offices, farms and at the homes of the participating *catireiros*. For Boni and Quaresma (2005), factors such as the promotion of greater interaction between the researcher and the respondents, and the elasticity of the duration of the interviews can result in a more comprehensive coverage on the topic in question, in addition to favoring more spontaneous responses from the participants. Also, it is possible to collect less conditioned responses to a pattern of alternatives through this technique.

The corpus of respondents was limited to *catireiros* doing business in the Triângulo Mineiro and Alto Paranaíba mesoregions who identify themselves as *catireiros*. These two regions were selected because they have consolidated the *catira* activity in the state (RIBEIRO; GALIZONI, 2007). Still regarding data collection, the delimitation of respondents was carried out by convenience, as the interviews were conducted with *catireiros* who agreed to participate in the research and could be found, a priori, from a list of contacts in possession of the researchers. However, as soon as the first *catireiro* agreed to participate in the study, the other participants were found using the snowball technique. This method is widely adopted in qualitative research when the subjects know and recommend other individuals who may have the desired characteristics for the survey in question (SURI, 2011).

Regarding the number of research participants, the criterion of representativeness in qualitative research is not numerical as in quantitative research. Instead, it considers the specificities of the subjects (DENZIN; LINCOLN, 2000). In this case, researchers must be able to identify and analyze non-measurable data such as feelings, sensations, perceptions, thoughts, intentions, past behaviors, the comprehension of one’s reasons, meanings and motivations of a certain group of individuals in relation to a specific problem. Therefore, the investigation was concluded according to the saturation principle; that is, from the moment when the immersion in the field no longer yielded different elements for theoretical development.

The interviews were recorded using tape recorders and later transcribed verbatim. The data were analyzed according to the theoretical and methodological postulates of French Dis-
course Analysis (FDA). Discourse Analysis is a discipline based on the links between the fields of History, Sociology, Philosophy, Linguistics and Psychoanalysis (PÊCHEUX, 1997). For Pêcheux (1997), discourse is a particular place where the relationship between language and ideology takes place; it is where aspects related to language, history, and the subject are concentrated and tensioned. In this context, DA allows one to understand how power relations are signified and focuses on what is symbolic, produces meaning and is invested with significance for and by subjects (ORLANDI, 2005), by interconnecting socio-historical and linguistic factors.

That said, the systematization of the data analysis considered the discursive strategies of ideological persuasion, and aimed to identify and analyze (1) the social conditions of discourse production; (2) the semantic paths structured from themes and figures; (3) the lexical aspects that point to characters, consensus and dissensions; and (4) the interdiscursive aspects. Therefore, two semantic paths guiding the business dynamics and the relationships among catireiros were identified. The first involves catireiros who still recognize trust and honesty as vital aspects for the practice of catiras; yet, at another level, some participants claimed that trust and honesty are not as paramount today as they used to be to close deals. According to these, catiras must also encompass dishonesty and distrust.

Accordingly, one of the main advantages of using AD is to enable the interpretation not only of what is made explicit, but above all to analyze what is in between the lines, by revealing what subjects really want to say and is not necessarily mentioned. The history of these articulations will be dealt with in the following section.

4 RELATIONSHIPS OF TRUST AND HONESTY ESTABLISHED AMONG CATIREIROS OF THE TRIÂNGULO MINEIRO AND ALTO PARANAI BA REGIONS

Regarding the profile of the respondents, 28 participants were male and three were female, totaling 31. Their age ranged from 25 to 82 years old, and their level of education, from elementary school to higher education. The primary cities of the surveyed catireiros were Uberaba, Perdizes, Araxá, Sacramento, Patrocínio, among other towns in the Triângulo Mineiro and Alto Paranaiba mesoregions, in the state of Minas Gerais.

One of the first aspects that drew attention in the interviews with the catireiros concerns their identification. At the beginning of the interviews, the catireiros were asked to tell their stories to the researchers, so as to create a portrait of each subject. All respondents, without exception, were emphatic in saying their full names, and some of them even completed that information by mentioning the nicknames by which they were known in their respective regions. From the moment they said their last names, the researchers could already get a sense of who they were talking to. That is, it was as if the researchers had known them for some time due to the notoriety of their names. This issue was corroborated by several catireiros during the interviews, as they addressed the importance of having “a clean name instead of a tarnished reputation to close good catira deals” (C10).

This fact shows that catireiros “must be known (...) and, above all, have a good name” (RIEIRO; GALIZONI, p. 72, 2007) to close deals. That is, if they become known and recognized for their bad business practices or for the “mantas” (losses) and “calotes” (defaults), their names and identities will be associated with dishonesty and distrust. This explains why the respondents placed so much emphasis on their names and began the interviews by saying their full names and even their nicknames. This strategy constitutes a way of legitimizing and validating the speeches
made during the interviews. Besides, they can validate their honesty as *catireiros* through the reputation that their names enjoy in the local communities. Therefore, the *catireiros* also rely on the discourse of trust to validate who they are and what they do (DRIVER, 2015).

After the introduction, the *catireiros* were asked about the relationships they establish in the practice of *catira*, so as to verify if the respondents would discuss the need for trust and honesty, as pointed out by Ribeiro and Galizoni (2007) and Palhares et al. (2019). The discourse that emerged from this theme can be identified in the speech fragments highlighted below.

01 I think the first thing that a person has to be is honest. You must be honest to build a name and gain trust, right? You won’t prosper if you don’t have a name, will you? You’ve got to have a name! You have to be honest, then you’ll gain [other people’s] trust, build a name and do *catiras*. Otherwise, you won’t. (C06)

02 You have to know where the person you’re negotiating with comes from, their origins. You can’t just buy stuff from anyone, or else you’ll soon be buying from the crooks. What would you do, then? So, that’s what it’s like, [the *catireiros* must be] honest, and they have to convey trust, right? (C16)

03 Oh, it’s important to know things, to know the market, the products, the person who’s selling them. And you have to be honest, to be a person with a good name, right? You will be negotiating with everyone and for a long time, so you cannot be [... job] dishonest. To cheat and deceive, you know? You have to be righteous, to convey trust so that you can go on working with this. You’ve got to have a good name because you go to town and they’ll ask, ‘Where is that *catireiro*?, because everybody knows everyone else, right? (C10)

04 Look, *catireiros* must have [...] a good relationship with people, a circle of friends. So that they can do *catiras*, right? [...] Or else they’ll be ripped off, won’t they? (C11)

From the fragments above, we conclude that the *catireiros* of the Triângulo Mineiro and Alto Paranaíba regions reinforce the discourse of the importance of relationships based on trust and honesty for the practice of *catira* (RIBEIRO; GALIZONI, 2007; PALHARES et al., 2018). In fragments 01 and 02, the respondents attested to the importance of honesty in *catira* and how the *catireiros* gradually gain the trust of other practitioners from honest deals previously closed between them. This builds a positive reputation and brings opportunities for new *catiras*. The *catireiros* seek to stimulate a growing cycle of trust among themselves, increasing the affective ties between the parties so as to foster new business opportunities. The Program on Negotiation of Harvard University, studied by Fisher, Ury, and Patton (1993), corroborates the understanding above, by stating that in order to achieve satisfactory results for both parties, the negotiation must focus clearly on reciprocity and cooperation. In turn, this reciprocity is perceived as having a “snowball effect”, capable of creating and feeding new reciprocities. This demonstrates that trust stems from the recommendations and experiences of members of a community (WILLIAMSON, 1993) regarding the reputation of others. This, in turn, is based on the individual knowledge of past behaviors, shared rules and codes of conduct within groups (WELTER; SMALLBONE, 2006) of *catireiros* of the surveyed regions.

In the third fragment, the respondent points out that honesty and trust are crucial not only to obtain new *catiras* but particularly to continue working in that occupation. According to this respondent, when a *catireiro* cheats, acts dishonestly or fails to convey trust in his business, he will most likely have to give up his job, because once a negative reputation is built, the *catireiro* will be known and recognized in the local community for its dishonesty, thus harming new business opportunities. In this sense, honesty can be characterized as a strategy to obtain better results, avoiding the creation of a negative reputation and the loss of new *catira* opportunities (KENNAN; WILSON, 1993; GIBSON, 1994; REITZ et al., 1998). Furthermore, according to this respondent, *catira* as a business differs from other businesses that advocate deceit and dishonesty.
as intrinsic characteristics of negotiations and refutes the idea that subjects must be liars and dishonest to qualify as good traders (DEES; CRAMTON, 1991; LEWICKI; ROBINSON, 1998).

According to the respondents, honesty can be understood as a component of trust, as the catireiros earn the trust of others by conducting honest catira deals. Therefore, honesty can be perceived as a component of trust, as the more honest the catireiros are and the more often agreements are fulfilled, the greater will be the degree of trust between the parties (TEIXEIRA; POPADIUK, 2003). This is similar to the understanding of Fisher, Ury, and Patton (1993), who state that in the negotiation process, the parties involved must maintain the commitment that the negotiation will be guided by ethical behavior so that there is mutual trust between them. In turn, trust can be characterized in the context of catira as a fundamental process that deals with the catireiros’ willingness to believe that the negotiating actions of their counterparts will be more beneficial and honest than harmful (CHILD, 2001; LEWICKI et al., 1998; MAYER et al., 1995; ROUSSEAU et al., 1998; SKINNER et al., 2014).

Still regarding the fragments above, C11, in fragment 04, highlights the importance of establishing good relationships with other catireiros, by creating a network of contacts and friendships from which businesses and catira opportunities may emerge. Along these lines, in addition to being a practice for maintaining and expanding the business of several families in the state of Minas Gerais, the catira also (re) creates and strengthens affective ties among catireiros, which, in turn, help to sustain their business relationships (RIBEIRO; GALIZONI, 2007; PALHARES et al., 2018).

These fragments demonstrate that honesty, trust, and reciprocity (re) create and reinforce the affective ties among the catireiros in the Triângulo Mineiro and Alto Paranaiba regions and help to sustain their business relationships. According to these participants, the catireiros need to be honest, have a good name and convey trust to their counterparts. Since the catira is recurrent in the daily lives of these individuals, as they act honestly in their negotiations, they gradually become recognized for this element, thus building a good reputation among the other catireiros. Consequently, when they have a good name within the local community, they also convey more trust to their counterparts. On the other hand, if a catireiro acts dishonestly in his business or loses the trust of the other practitioners, his name, that is, his reputation, will be tainted. Consequently, this catireiro will hardly do other catiras, as he will be perceived as a cheater or crook in the business.

However, some respondents broke with the discourse on the importance of honesty and trust in catiras. They argued that this behavior used to be important some time ago, but it currently does not have the same relevance, as the current catiras differ from those done in the past, as the fragments below show.

05 In the past, we had to convey trust! When trust is broken, all is lost! So, you’ll have no more deadlines. It’s over now. Everyone distrusts everyone, we don’t know people anymore, they deceive us. (C08)
06 No, no! Lately, it’s more about exchanging one thing for another and paying cash right away. There’s no trust anymore, nobody knows anyone, you don’t know who the people are. (C01)
07 No, nowadays there’s no such thing as trust. We used to know people, right? We could trust them. But today there is no more trust, I have seen many guys who come from neighboring towns to write bad checks here. So, there used to be [trust], but not anymore. Today you’ll be ripped off if you think like that. (C13)

In fragment 05, respondent C08 reiterates how it used to be difficult to find new catiras when the trust of the other catireiros was broken. Likewise, C01 and C13 also stated, resorting to time adverbs and adverbial phrases (such as “before”, “now”, “today”, and “nowadays”) to distinguish and differentiate the importance of trust in catira negotiations at different times. The conclu-
sion is that trust today does not have the same significance as it used to have years ago. According to these respondents, they are no longer able to know and recognize those who practice catira. Therefore, in order to avoid losses caused by unknown and perhaps dishonest individuals, they prefer not to trust people so much beforehand. As an example, C13 argues that he has seen many unknown catireiros, coming from other towns and stroll around his region and close deals by writing bad checks. In other words, to avoid losses in negotiations, they would rather distrust everyone. These respondents break with the discourse of the importance of trust in catiras, by stating that currently the relationships established among the catireiros are different from those established in the past, as it has become difficult to know all practitioners. Trust was once a strategy to be observed in everyday business, but it is now not as relevant as it used to be. Nonetheless, even the catireiros who broke with the discourse of relationships based on trust and honesty in the practice of catira defined honesty as a component of trust. According to them, it is the practitioners’ willingness to believe that the negotiation procedures conducted by the other side will be somehow more beneficial than deceitful or dishonest.

That is, these respondents recognize that relationships based on trust also involve risks (SKINNER et al., 2014; WEHMEYER et al., 2001) such as the possibility of receiving bad checks in negotiations (C13). Even so, instead of looking for instruments to continue building ties of trust and minimizing these risks, traders prefer to believe that trust is no longer a crucial factor for the practice of catiras, as it has become difficult to know and recognize the other catireiros. It is as if the catira had come to integrate dishonesty and deceitfulness as intrinsic characteristics of negotiations (DEES; CRAMTON, 1991; LEWICKI; ROBINSON, 1998).

As previously reported, other respondents also exposed the difference between today’s catiras and past negotiations. In this sense, the surveyed catireiros reported that it has become more challenging to practice the catira, as we can conclude from the following fragments.

08 People used to be more honest, you know? It’s much harder now, these days we risk doing catiras with folks that may not pay you, or lie to you, or rip you off, or not pull their weight. Trust [...] Today it’s hard to trust people. In the old days, it used to be more profitable, too. The [profit] margins have decreased or gone completely. (C11)

09 Well, it always changes, doesn’t it? Today you have to be more cautious. There’s less trust, we have to have our feet down on the ground. In the past, it was even possible to offer a deadline [for payment], today checks don’t even exist anymore. I’ll only take checks from people I know well. If that. (C29)

C11 and C29 also state that trust among catireiros has been reduced. The traders used to be more honest and tended to honor their commitments more often. However, the practice of catira has become more challenging, as the catireiros now face a greater risk when negotiating with bad payers (C11). Therefore, in view of the fact that defaults in catira negotiations have become more frequent, and trust has decreased, C29 adopted a strategy to manage his relationship and run his business: he has decided to carry out his catiras with “his feet down on the ground”, that is, with more caution. This discursive fragment confirms the relevance of trust for negotiations, as it reduces uncertainties regarding people’s actions when in situations of risk (LUHMANN, 1979), and involves the belief that the other party will act honestly and willingly (VALENZUELA; CONTRERAS, 2013).

In this regard, C29 reports that payments by check used to be common, even as a way of offering a payment deadline for the other traders. However, due to the crisis of trust and to avoid possible defaults, he will now only accept checks issued by people he knows. The respondent’s word choice demonstrates that the risk of not getting paid for a deal is possible even when dealing with acquaintances. This, in turn, justifies the strategy of adopting a more “cautious” and “down to the ground” posture in negotiations.
Next, we highlight a contradiction found in the speeches of the *catireiros* about honesty in *catiras*. As previously reported, some respondents stated that honesty would be important in the relationships established among *catireiros*, as it works as a strategy to find new business opportunities. The fragments highlighted below corroborate the speeches of these respondents.

10 I think the strategy, at least mine, is to be honest in what I do. If you are trading a bull with someone and you tell them the breed has this or that genetics or quality, that has to be true. If a cow produces this much milk. Or if something is flawed, you go ahead and say: ‘I’m selling this, but it has a problem’. You have to convey trust to people, so they’ll get home and know that what you told them is true. This way, they’ll trust you for other *catiras*. (C05)

11 The strategy is to be ready for every opportunity that may come along! [...] It’s good to make *catira* deals with honest people. If you want to buy my cattle, I’m informed about them, I know how much they’re worth. So, I’m not going to set a price that is much higher than what it’s worth, and if your offer is too low, I won’t take it either. We have to make deals according to usual market prices. And it’s going to be a good deal for both parties, that’s it. (C06)

Therefore, according to the respondents above, honest relationships among the *catireiros* would allow greater reliability among them, helping in the process of closing new deals in the future, as noted in section 10. In this context, perceived trust and honesty influence the way by which individuals engage in economic relationships (ZsolnaI, 2004), and can improve the efficiency of these interactions by reducing uncertainties.

In turn, C06 affirms that honesty in the *catira* concerns the fact that when *catireiros* are honest, they will not offer a much lower value than what the merchandise is worth, nor receive a value that is much higher than what is usually practiced. On the contrary, they will negotiate until reaching an agreement “according to usual market prices”, that is, a price that does not differ excessively from what is practiced in the market. This confirms that trust refers to the individual’s expectations regarding the intentions and behaviors of another subject, in which there is a mutual expectation as to the fulfillment of what is agreed between the parties, and non-exploitation of their vulnerability (Child, 2001; Lewicki et al., 1998; Mayer et al., 1995; Rousseau et al., 1998; Skinner et al., 2014). C06 describes *catiras* as negotiations involving subjects with different interests, but who seek to reconcile such interests without sacrificing their individual ones (Barr; Robinson, 2002), by trying to reach a positive outcome for both parties (Sebenius, 1986).

However, other respondents mentioned different strategies to be used in negotiations. Among these, we identified a fragment that contradicts the discourse of the importance of honesty for the practice of *catira*.

12 Oh, sometimes I use a strategy that works. For example, I’ll give you a hint: [suppose] I am offering a car here and now. I bought it for 25 grand, but I will say that I paid 35,000. Then the guy gives me 25,000 plus some cattle. So, I lie, because if I tell him how much I paid for it, he’ll set his own price, then I won’t make any profit, you know? You must be strategic. The *catireiros* lie a lot, that’s the way it is, every good *catireiro* lies, but it’s an honest lie, you know? It’s not meant to fool other people. We lie to make money because if you tell them the actual price, you won’t make any money, you won’t survive. (C17)

13 You have to know how to do your marketing, so to speak. To sell yourself, right? You have to say: ‘Hey, I’ve got this thing and it’s a good thing because of this and that’. And the *catireiros* never tell anyone how much they paid for something, right? For instance: ‘Oh, I want two grand for that!’ ‘But how much did you pay for it?’ ‘I paid two thousand and two hundred’. But I didn’t really pay two thousand and two hundred, I paid eighteen hundred. So, you’ll never say the exact price, so that you can profit. You always have to do that. (C15)
14 Nobody will negotiate for the actual price of an item. Even when you are informed about the market, you know how much an animal weighs, the price of the arroba, there’s always a margin, isn’t there? If I know his animal is worth one grand, for instance, I’ll not offer one grand, but 850 or 900 instead. And the other folk won’t sell it for 800, they’ll demand twelve or thirteen hundred. And the battle goes on. Until an agreement is reached. (C02)

There is a consensus in the fragments above that another strategy adopted by catireiros is to lie and/or omit the truth during their catira negotiations. This demonstrates disagreement among the catireiros of the region regarding the discourse of relations based on trust and honesty. In this sense, C17 also declares that lying is a strategy that works because if he tells his counterpart the actual price he has paid for a given product, he will not make any profit, as the other practitioner will want to set his own price. By using the conjunction “if”, that respondent established a conditional relationship between lie-profit and truth-loss, as he stated that to profit in a negotiation, catireiros must lie. In other words, if you tell the other party the real value of an item, you will not earn any money in that negotiation.

Similarly, C02 and C15 stated that they never tell anyone the exact amount they paid for a given commodity, and they never start their catiras by negotiating the values usually practiced in the market, so as to have a higher profit. Therefore, the first respondent confirmed that truth, or why not say, honesty in negotiations, is a strategy that should never be put into practice, in contrast to the omission of the truth, which is a recurring and legitimate practice among the participants, as they always adopt such a strategy to profit in their catiras.

Such respondents consider omissions, deceptions, and bluffs inherent in the negotiation process, in addition to believing that negotiating/doing catiras means defending their interests and adopting a competitive attitude (PEPPETT, 2002; WHITE, 1980). The catireiros who fail to acknowledge this fact will inevitably lose business opportunities and be at a disadvantage in their negotiations (CARR, 1968), for “every good catireiro lies”. I.e., deception and dishonesty are required if someone is to become an effective trader (DEES; CRAMTON, 1991; LEWICKI; ROBINSON, 1998).

However, C17 tries to minimize the relevance that lies have in catiras by characterizing them as “honest lies”. According to this respondent, there is no explicit intention to deceive the other dealer, after all, these lies serve only the purpose of earning some money at the expense of the other catireiro. Therefore, although the respondent tries to relativize the act of lying in negotiations and reinforce the importance of honesty in the catiras, he reproduces an ideological discourse of capitalism and survival, which is inserted in the dimension of his social practices, when stating that the strategy of being dishonest in negotiations is necessary to survive and profit in the catiras business.

Based on the analysis of the respondents’ speeches, it is possible to conclude that on the one hand, honesty and trust are paramount and contribute to the strengthening of the catireiros’ prestige and reputation in the group in which they are inserted. These values operate as a way of legitimizing who those catireiros are and how they negotiate. In addition, trust and honesty in the practice of catira can favor not only the possibility of new negotiations, creating and fostering new reciprocities, but also the permanence of catireiros in their occupation. On the other hand, the catira is also characterized as a potentially opportunistic practice, which may involve mistrust, lies, manipulation, and dishonesty as elements inherent to its process and conditions for traders to obtain advantages in their catiras. This study has demonstrated how trust and honesty are crucial aspects to understand the decision-making process of a scarcely debated form of business in the field of administration, in addition to providing an opportunity to discuss the reasons that lead traders (catireiros) to trust negotiations, specifically in the scope of the catira activity.
5 FINAL REMARKS

This paper analyzed the relationships based on trust and honesty among the catireiros based in the Triângulo Mineiro and Alto Paranaíba mesoregions of the state of Minas Gerais, Brazil, in their negotiations. The relationships and ties established among catira practitioners are often based on trust and honesty of subjects who are still known and recognized, in large part, by the reputation they build through honest negotiations done with other catireiros. For some catireiros, honesty and trust are paramount and contribute to the strengthening of their prestige and reputation in the groups in which they are inserted. These values operate as a way of legitimizing who those catireiros are and how they negotiate. In other words, trust and honesty emerge as a resource for building certain identities (DRIVER, 20015) among the catireiros.

The ties of trust and honesty established among the catireiros, which allow the recognition of these subjects by the other practitioners, emerge as a strategy in the speech of the interviewees, so that they can continue working with catiras and establish new deals. For this reason, according to some respondents, the conduct of these traders must always be based on honesty, as a way to develop a competitive edge in their catiras. In addition to being considered a strategy in negotiations to obtain better results, honesty can also be understood as a component of trust, since the more honest the collectors are, the greater the trust placed in their relationships. Therefore, being honest and reliable in this type of negotiation would be a rational response strategy in a scenario of future uncertainties.

However, not all catireiros consider their business relationships to be based on trust and honesty. For some of them, the catira has undergone transformations throughout history, and elements such as trust and honesty in negotiations, previously essential to close deals, have become less relevant, as it is now impossible to know and recognize the practitioners involved. Besides, according to some respondents, no catireiro is honest in their negotiations, and omission, lying, and dishonesty are also handy strategies in the practice of catira, so as to obtain greater profits in their negotiations.

What is advocated in this study is that trust and mistrust are not mutually exclusive. A low degree of trust does not equate to a high degree of distrust and vice versa. That is, although these are separate and independent constructs, they can coexist in the same relationship. As much it is possible to like and dislike, love and hate, it is possible to trust and distrust others in the same relationship (LEWICKI et al., 1998, p. 449; SAUNDERS et al., 2014). Furthermore, although the catira is not a well-known type of negotiation today, more frequent in rural areas, it is also characterized as a potentially opportunistic practice, which may involve mistrust, lies, manipulation, and dishonesty as elements inherent to its process and conditions for traders to obtain advantages in their negotiations. This type of behavior is not only accepted but often appreciated in the context of business and legal negotiations as those who ignore it may lose opportunities and assume a disadvantaged position in their negotiations (PEPPETT, 2002).

As a contribution to the field of studies, this work has sought to expand the approach on trust and honesty in negotiations, as recommended by Welter (2012), when stating that different contexts in which trust occurs should be investigated. The catira as a business proved to be an interesting economic activity for the study of trust and honesty in decision making, as its practitioners — without any pretension of characterizing them as saints or amoral and unscrupulous villains — experience ethical and moral dilemmas in their negotiations on a daily basis.

The study also provides an additional contribution to why people trust (DIETZ, 2011; DRIVER, 2015), in this specific case, the catireiros. We demonstrated how trust is a resource used to strengthen the catireiros' prestige and reputation, just as they are based on the trust discourse.
to legitimize who they are and obtain advantages in their negotiations. Therefore, this study has reinforced the notion that trust validates and also triggers identities.

Furthermore, it also provided a glance at how small traders and catireiros – who have been marginalized in management studies (PALHARES et al., 2019) – adopt different strategies to manage their businesses. By exploring how individuals narrate their relationships of trust and honesty in their catiras, this study offers a glimpse of how these subjects process these experiences and assume divergent positions in relation to them. In other words, we demonstrated how the catireiros creatively engage with (dis) trust and (dis) honesty in the practice of catiras, so as to find new business opportunities and close new deals.

The main limitation of this study was the sole inclusion of catireiros of the Triângulo Mineiro and Alto Paranaíba mesoregions, although other regions of Minas Gerais such as the west and the Zona da Mata have also consolidated the practice of catiras (RIBEIRO; GALIZONI, 2007). It is worth mentioning that the noises during the interviews conducted in cattle auctions and farms made the transcription of the oral reports rather difficult. Moreover, access to respondents was challenging, as they lived and worked in rural areas of different cities in the Triângulo Mineiro and Alto Paranaíba regions.

Finally, we recommend that future studies expand their scope by including catireiros from other regions of the state of Minas Gerais. Other researchers can also explore the issue of trust and honesty in the business relationships of other small rural traders, such as farmers and producers, as well as advance the discussion on how human individuality can influence the way traders assess morals in the scope of ethically ambiguous business practices.

REFERÊNCIAS


## Contribution of authors

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