THE ROLE OF TRUST ON INVESTORS' REACTION TO PROFIT DECLARATION WITH A FOCUS ON EDUCATION LEVEL

*Malekian, H.[1] and Jahanshad, A.[2]

Abstract: *One of the exceptions of financial market is that it shows under reaction to highly related, abstract and full-statistic information while it overreacts to outstanding, unrelated and gossip-like information. Considering irrational fluctuations of capital market, recognizing information and news useful for making reasonable decisions has been changed into a concern for investors, leading to mistrust and doubt among investors regarding the accuracy of information and news. The purpose of the present paper is to explore the role of trust as a behavioral stimulus and the most obvious characteristic of social capital and one of the dimensions of culture on the reaction of investors to profit declaration with an emphasis on education level. Such an issue was investigated from the perspective of 165 professional investors at the level of 55 active mercantile exchange companies. This work was a descriptive-correlation study employed multi-variable linear regression test to test the research hypotheses. As the research findings revealed, trust has no effect on investors' reaction by itself and education level can significantly influence the role of trust on investors' reaction to profit declaration.*

Keywords: *social trust, investors' reaction, profit declaration, education level*

INTRODUCTION

Nowadays, investors seek to find the best information for desirable investment which minimizes the risk of investment in addition to ensuring appropriate return. Such a fact indicates the necessity of access to clear and reliable information which can help them in decision making. Profit information indicates one of the most important communicative channels between management and stockholders. Considering effective disclosure mechanisms to convey such information leads to the increase of investors' perception about market for a more rational reaction. Therefore, investment always tend to invest in companies presenting a clear level of effective characteristics and information in their reaction for better investment and giving them the trsut about their investment.

---

[1]   MA in accounting, Islamic Azad University of Tehran Center Branch; *E-mail: h.malekian_1989@yahoo.com*
[2]   Assistant Professor of Islamic Azad University of Tehran Center Branch

The important thing which may be considered as a problem by companies is to recognize, remove and/or improve the factors influencing investors' reaction. For a secure investment, investors seek to achieve clear and reliable information based on which they can make the best decision. It indicates that incorrect and deceiving information causes that investors' reaction and decisions are not fully reasonable and create challenging decisions for investors and accordingly, cause some kind of doubt and mistrust. As the most obvious characteristic of social capital and cultural dimension, trust is known as a behavioral stimulus causing an act which may be useful for individuals or minimize the probable damage (Gambetta, 1989). Hence, it seems that investors need some information beyond financial discussions and needs; that is, investors' reaction to financial information is influenced by psychological and social factors as well.

With respect to the previously reported studies and identifying the necessity of creation, evolution and dynamism of capital market and accordingly, investors' demands, the present project attempts to investigate an important factor out of factors influencing investors' reaction with a focus on their behavioral factors as well as in parallel with the evolution of society, formal and humanentities. Trust is an important and effective psychological factor in the formation of communications which influences the improvement of the quality and direction of decisions made based on available effective information. Giddens (1998) believes that trusting in public information is accompanied with the clarity and accuracy of information and education is the first element of recognition formation in attitude. Therefore, it seems that investors' perception about the accuracy of information and news indicates the necessity of the increase of investors' knowledge and awareness.

Followed by Pevzner et al. (2013), it is expected that the effect of social trust on investors' reaction to profit information of companies is influenced by some conditions. Moreover, considering the variables of company size, the ratio of debt to net asset of the companies, forecast dispersion and |UE| as control variable, the role of trust on investors' reaction to profit declaration with an emphasis on education level as a moderate variable, the recent research investigates the hypothesis indicating that when the level of education is lower than the country average, it is consistent with the reliance of individuals with lower education on trust in making economic decisions.

THEORETICAL FRAMEWORK

Considering the efficient-market hypothesis, basic news causes the changes in securities price and when investors obtain new information about essential value of securities, they promptly react to such a change. All new information is rapidly

reflected in prices and no one will have the opportunity of obtaining abnormal profits based on information (Namazi, 44. 1985-30). On the one hand, based on the reported studies (Kallunki&Martikainen, 1997; Easton, Harrison and Olson, 1992), the main cause of limited explanatory power of reported profits is their low informational content and low informational content of reported profits due to their low reliability. When mangers mange profits with opportunistic goals, accounting profits are those volumes of companies' financial performance which have low reliability. The less the reliability of profits is, the less useful information will be (Aghayi et al., 2009: 27-38). Hence, the lack of informational content can question the efficiency of capital market somehow and information cannot help investors to determine he essential values of stock and prevent to achieve the objective of investment, leading to doubt and mistrust relative to the information.

The efficiency of market is of high importance since efficient capital market accurately and fairly determines the price of securities and capital allocation is properly optimized which is the most important factor of production and economic development (AbdeTabrizi&Jahankhani, 1993: 7).

On the other hand, considering the opinions of behavioral financial scholars, it can be stated that behaviioral financial theory indicates that behavioral factors are also effective to make financial decisions and perform financial analysis in addition to financial factors and information. Some scholars such as Slovic (regarding misperception of individuals), Tversky and Cohman (1974-1979) (regarding intuitional decisions and decision framework) and Daniel et al. (1998) presented behavioral models for overreaction and under reaction at macro level of market in a psychological article of investment and overreaction and under reaction of market stock; they also propounded judgmental oblique. Unlike the previous theories indicating that investors avoid risk, Tversky and Cohman stated that when investors are at negative part of wealth (loss), they move from risk aversion to risk taking (BabaiiMojarad, 2011: 10).

THE PLACE AND IMPORTANCE OF TRUST

Among contemporary sociologists, Sztompka who considered social trust discussion believed that if new society have unique features such as futurism, mutual dependency intensity, expansion and variety of societies, augmentation of roles and social distinction, selection system expansion, complexity of entities and the increase of ambiguity, anonymity and unfamiliarity with social environment, attention to social trust and its role in social life, it will observe the growth of a kind of culturelessorientation which has embedded some sort of return from hard concepts to soft concepts. Such a return has been followed by deeper attention to trust concepts (Azkia & Afari, 2004: 280).

According to Prusak (2000), trust is one of the dimensions which can help to better explain social capital. Such a trust is the result of social interactions existing in social groups, association and activities.Particularly, if this trust is conveyed from individual level to social level, it should be regarded as a valuable capital (Heydar Abadi, 2010).

On the one hand, the increase of trust equals the decrease of transactional costs and help to ownership property and other aspects can highly influence the efficiency of various parts and entities of society. Trust contributes individuals to be able to decrease the cost of discerning probabilities and make their conditions affordable. According to researchers, social trust in economic system acts as a substitution for control since it decreases costs such that the highest level of trust in a relation will be followed by the lowest costs of control mechanisms and supervisor (Rahmani & Amiri, 2007: 29).

Moreover, the increase trust to individuals and entities in societies causes the decrease of the risk expected by society, the decrease of time discount rate expected by people and also, the increase of mutual trust to individuals leads to the increase of saving. Trust can weaken opportunistic behavior and affectively remove the defects existing in contracts and thereby support investments. Trust can also create appropriate investment opportunities through facilitating semi confidential information exchange and mutual agreements (ibid, 2007: 330).

Fukuyama believed that before entering into a commercial or social system, adequate information about trust networks existing in that system and its features should be obtained. Under these conditions, trust can be considered as an important factor to facilitate communications and decrease costs (Fukuyama, 2000: 11-12).

THEORETICAL PRINCIPLES OF EDUCATION

Coleman believed that just like other forms of human capital, social capital is a public interest and therefore, competitive markets regularly invest on it (Fukuyama, 2000: 89). The public interest aspect of social capital refers to the fact that social capital is placed in a fundamentally different situation with other forms of capital in terms of a purposeful action. Education and enabling is a planed process in which citizens can feel their participation in various societies and observe the obtained results. The purpose of education and enabling is to create the opportunity of access to the main structure and obtain information. Acquiring knowledge, investors and mangers can better work together and participate in performing the specified affairs from the beginning. Passing general education at all levels as well as academic educations by individuals plays the main role in creating social capital. Cultural components are highly influenced by educational and training systems' performance at the level of society. At organizational level, educationalcoerces

also can provide an appropriate opportunity to strengthen social capital. Social capital is an important resource for individuals and can highly affect their action ability and their tangible life quality. Given to theplace of trust as a social capital factor, the importance of trust in the creation and evolution of social relations as well as an effective means to facilitate and decrease the cost of communications in communities and competitive markets and creating new investment opportunities and according to Giddens (1998), education has been emphasized as a moderating factor for trust in the present study.

RELATED LITERATURE

Asking how trust levels follow interference policy, Knack and Zak (2001) attempted to investigate the effect of interpersonaltrust on economic growth.

In the present work, using a formal model, general policies characteristics increasing trust were propounded and some policies such as increasing freedom, creating civil culture, increasing contract execution, decreasing income inequality, and increasing education level were investigated. Testing the model revealed that distribution transfer, freedom and education stimulate welfare. The analysis results indicated that if trust is low, investment will be also low and under this condition, economic growth cannot be achieved. Finally, they concluded that some policies such as improving life standards, increasing civil freedoms, increasing institutions, and decreasing corruption lead to the increase of trust.

Followed by researches conducted by Benfild (1958) and Putnam (1993), Guiso et al. (2004) attempted to make use of known difference in social capital a trust using microeconomic data at the level of families and enterprises to identify the effect of social capital on financial development in Italy. The obtained results revealed that social capital plays an important roe in the degree of financial development in different sectors of Italy. According to the generalized results, it can be stated that the importance of social trust depends on well executive rules and education level in many developed countries.

Pevzner et al. (2013) explored the effect of the level of trust in a country on investors' perception and making use of information dissipated by companies. As they concluded, investors' reaction to useful information and news dissipated by companies highly depend on trust in companies. The effect of trust on investors followed by the requirements of disclosure and protecting weak investors, low education level and in case of high informational asymmetry level is influenced and in case of and low education level of a country, people with low education rely on trust in their economic decisions.

HeydarAbadi (2010) analyzed social and cultural factors influencing the level of social trust in youth of Mazandaran Province. As they revealed, there is a negative and reverse relation between education level and social class and social trust level. Unlike human communications, there is a positive and direct relation between families' socialization and religious beliefs. Totally, these variables explain 43.2% of variance of social trust level.

DEFINITION OF VARIABLES

Social Trust

Conceptual definition: followed by World Values Survey (WVS) and based on the following general questions and related questions, it is measured through questionnaire:

> "Generally, can most of people be trusted or it is needed to cautiously behave?" In opinion polling, if a participant reports that most of people can be trusted, the response to this question is recoded with 1 and otherwise it is recoded with 0.

Operational definition: "following by the main item which is propounded as the general criterion of trust measurement, 20 other items are measured in line with the covering of the components of inter-group trust, intra-group trust, trust to other entities that investors deal with them in capital market and trust to hierarchy. Finally, using Likert scale (5-alternative) the questions are coded and then, the mean of response in each of investigated samples (investors) are computed as social trust.

Investors' Reaction

Conceptual definition: investors always react to the information presented by companies. The best base of measuring investors' reaction to profit declaration isvariance of abnormal return.

Operational definition: in standard method of pot facto researches, abnormal return is the difference between real return and expected return (normal) and practically, one of the methods measuring abnormal return is error forecast of market model. According to this method, abnormal return is obtained from the difference between real share j in event period and predicted return (based on market model): that is, formula (1)

$$A_{jt} = r_{jt} - E(r_{jt}) \ (1) \qquad r_{mt} + \hat{B}_j \hat{\alpha}_j E(r_{jt}) = \ (2) \qquad r_{jt} = \alpha_j + \beta_{jt} * r_{mt} + e_{jt}$$

In this formulas, A_{jt} indicates abnormal return of share j in period t; r_{jt} indicates real share return j in the period t; $E(r_{jt})$ refers to return predicted based on market

model; and refer to estimation parameters for market model, and r_{mt} indicates real return of market portfolio in period t.

Education

Conceptual definition: the level of inventors' education is considered as the moderator of the role of trust on investors' reaction. With respect to a standard which exists to classify the level of individuals' literacy, education level of individuals includes 6 classes of primary, secondary, high school and academy, associate of degree, bachelor, higher education, master and PhD.

Operational definition: followed by questions regulated in the questionnaire regarding the education level of the studied groups, the investors' education level includes one of these six classes. Then, the mean of education level of each group is compared with the average education level of the country (based on statistic organization report).

RESEARCH HYPOTHESES

According to the previous studies regarding trust as an important index of culture and social capital, it is expected that trust, as a behavioral factor, influences investors' reaction to the information presented by commercial units. Therefore, the first research hypothesis is indicated as follows:

The first hypothesis: social trust influences the investors' reaction to profit declaration of the company.

To test this hypothesis, the following regression model is used:

$$\text{Market Reaction} = a_0 + a_{*1} \text{ Trust} + \sum_{2}^{K} ai * \text{ Control }_i + e_i 1)$$

The level of the investors' awareness and perception as well as acquiring knowledge and its application causes the creation of a better communication between investors and managers of commercial units. Investors employ the acquired knowledge to make economic decisions which can be manifested in information analysis and reaction to them. With respect to the previous studies, it is propounded that the level of education influences the formation of investors' reaction to dissipated information and news.

Therefore, the second hypothesis is stated as follows:

The second hypothesis: the relation between trust and investors' reaction to profit declaration depends on the average education level of the country.

To test this hypothesis, the following regression model is employed:

$$\text{Market Reaction} = a_0 + a_1 * \text{Trust} + a_2 * \text{Education} + a_3 * \text{Education} * \text{Trust} + \Sigma_4^K a_I * \text{Controli} + ei \qquad 2$$

METHODOLOGY

The present paper is an applied and descriptive study. For descriptive studies, various methods are used and in the present study, correlation-regression analysis method has been used. Also, in terms of data gathering tools, this study is a cross-sectional survey since it evaluates social trust among 165 professional investors relative to 55 active exchange companies through questionnaire during 2013.

Statistical Population, Sample and Sampling Method

The statistical population included investors and active companies in stock exchange. To select the sample size, systematic elimination sampling method was used. To select the sample, using group sampling method and with respect to the most obvious characteristics, abilities and objectives of investors and considering their common point, the investors were divided into two groups of naïve and professional. Then, the sample was selected among professional investors who were the customer of A rank.

Finally, 165 questionnaires were distributed by agencies of A rank among the professional investors. Additionally, with respect to liquidity criterion as the stimulus of investors selection and the criteria of measurement and conditions of companies selection in the list of 50 active exchanges companies, companied placed in this list can be considered by professional investors somehow. Therefore, the company sample was selected by applying the following regulations and using systematic elimination sampling:

1. Companies which have been placed the list of 50 more active exchange companies during the last 5 years;

2. Since the list of 50 more active companies is published 4 times per year, the selected sample should be included in all the four years;

3. The selected sample should be present in stock exchange market during 2008-2012.

4. The selected sample should not be of the eliminated exchange companies during the 5 years;

5. The required financial information should be accessed by the company.

Table 1
The results obtained from systematic sampling after applying the first condition

Final results	Fifth condition	Fourth condition	Third condition	Second condition	
55	56	57	62	168	*Sample size before applying condition*
	55	56	57	62	Sample size after applying condition
113	1	1	5	106	Number of

Finally, 55 companies were selected as the sample.

QUESTIONNAIRE RELIABILITY

With respect to the fact that two variables of the basic research variables are measured through questionnaire, it is necessary to evaluate their reliability. To determine the reliability, internal consistency test is used through Cronbach's alpha.

Table 2
Reliability test of the first part of the questionnaire (trust level variable)

Cronbach's Alpha	N of Items
.807	**79**

As shown in Table 2, Cronbach's alpha computed for 79 items is 0.807. Since this value is greater than 0.7 (near to 1), the employed questionnaire has a good level of validity and reliability.

FINDINGS

Table 3 presents descriptive test related to the research variables sing central and dispersion indices.

Table 3
The results of descriptive analysis of the research variables

Variable	Number	minimum	Maximum	mean	Standard deviation
stock abnormal return	55	-1.6754	10.9184	0.650013	1.878999
Level of trust	55	2.4744	3.3419	2.98073	0.1653
Level of teaching	55	0	1	0.69	0.466
Corporate size	55	24.4319	31.7504	27.84525	1.56973
Financial leverage	55	0.0131	0.9384	0.503204	0.299334
Predicated earning of stocks	55	-7.4615	0.7636	-0.22009	1.11583
Distribution of prediction	55	-6.8552	7.6678	0.176621	2.182318

Descriptive analysis of abnormal return of stock indicates a positive mean for this variable. The obtained results indicate that during the study period, the statistical companies have has averagely a higher return than the expected return. Further, according to the findings, the standard deviation of this variable (as the dependent research variable) is higher than its mean. In other words, the fluctuations of this variable have been at a high level and its data distribution has not been close to normal distribution. The mean of trust level variable is 2.98. Considering the fact that this variable is based on Likert scale, this value is lower than the median of the variable (3). Generally, it can be stated that the respondents' trust has been at an average level. Given to the obtained results, the education level related to 69% of the respondents has been higher than the median of the variable and it can be concluded that the respondents have had a high literacy level.

In the model of the research hypothesis testing, abnormal return (investors' reaction criterion) has been regarded as the dependent variable. To investigate the normality of the dependent variable (as one of the classic hypotheses of regression and model credit), Kolmogorov–Smirnov test has been used. Table 4 shows the results obtained from Kolmogorov–Smirnov test.

Table 4
Normality test of the dependent variable

| Kolmogrov-Smirnov test | | | |
The level of significance	The degree of freedom	Test statistic	Dependent variable
0	55	0.231	stock abnormal return

Considering the fact that the significance level of the test statistic is less than 0.05 (0.000), the hypothesis of the dependent variable's normality is rejected at the confidence level of 95%. That is, the dependent variable has not normal distribution. Therefore, it is necessary to normalize the variables before testing the hypotheses. In the present study, Johnson Transformation function has been used to normalize data. The results obtained from K-S test after the data normalization process is presented in Table 5.

Table 5
Normality test of the research dependent variable after normalization process

| Kolmogrov-Smirnov test | | | |
The level of significance	The degree of freedom	Test statistic	Dependent variable
0.200	55	0.043	stock abnormal return

According to Table 5, since the significance level of the test after data normalization is higher than 0.05, the hypothesis is confirmed at the confidence level of 95%, indicating that the dependent variable has normal distribution after normalization.

The results of the first hypothesis testing

Table 6 shows the results obtained from the regression model the first hypothesis testing.

Table 6
The results obtained from statistical analysis for the first hypothesis

R^2adjusted	Durbin Watson statistic	F statistic	The level of significance F
0.174	1.181	13.267	0.000
variable	coefficient β (standardized)	T statistic	The level of significance (P-value)
Trust	-0.009	-0.066	0.948
Size	0.1	0.768	0.464
Lev	-0.212	-2.557	0.006
UE||	0.059	0.464	0.644
PS	0.347	2.587	0.013

As shown in Table 6, determination coefficient of the regression model is 0.174, indicating that the model has been able to explain 17.4% of the variance of abnormal return of the sample through the dependent and control variables. Furthermore, the results showed that Durbin-Watson statistic has been 1.5 to 2.5; accordingly, there is no strong correlation between regression model errors and the lack of correlation between errors is confirmed.

The obtained results of ANOVA test revealed that the estimated regression is statistically significant and the relations between the research variables are linear. The coefficient estimated for the variable of trust indicating the investors' reaction to trust level is – 0.009 with the significance level of 0.947 which is higher than 0.05 (error level of test). That is, there is no statistically significant relation between the mentioned variables.

Totally, social trust has no significant effect on the investors' reaction. Such a finding is inconsistent with the claim propounded in the first hypothesis and this hypothesis is rejected at the confidence level of 95%.

The results of the second hypothesis testing

Table 7 shows the results obtained from the regression model the second hypothesis testing.

Table 7
The results obtained from statistical analysis for the second hypothesis

R^2 adjusted	Durbin Watson statistic	F statistic	F The level of significance
0.287	2.171	14.111	0
variable	coefficient β (standardized)	statistict	The level of significance (P-value)
Trust	0.329	1.03	0.308
Education	4.195	2.398	0.009
Education *Trust	-4.491	-2.52	0.005
Size	0.146	1.189	0.241
Lev	-0.126	-1.996	0.036
|UE|	0.061	0.437	0.664
PS	0.525	3.817	0

The significance level of the coefficient estimated for the variable of trust indicating the investors' reaction to trust level is higher than 0.05 (error level of test). These findings indicate that there is no statistical significant relation between the mentioned variables. The coefficient obtained from the variable of education indicating the relation between the investors' reaction and their education level is positive and significant. In other words, the higher the education level of the investors is, the more desirable reaction will be shown to the information dissipated in capital market. The coefficient estimated from the variables trust and education indicating the effect of education level on the investors' reaction to trust level equals – 4.491 with the significance level of 0.005. Such a finding indicates that the investors with higher education level show negative reaction to trust level.

To sum up, the research findings revealed that the relation between trust and the investors' reaction to profit declaration depends on the average education level of the country, leading to a negative relation. This finding is consistent with the claim propounded in the second research hypothesis and the hypothesis is confirmed at the confidence level of 95%.

CONCLUSION

Considering the theoretical principles and the results reported by the previous researches and in line with the hypotheses testing and their results, it can be stated that in capital market and among the investors' social trust obtained from the inter-group trust, intra-group trust, trust in hierarchy, trust in other entities and organizations in the form of inter-personal trust and generalized trust cannot automatically influence their reaction without considering moderating factors affecting capital market. On the one hand, the lack of relation between trust and the investors' reaction to profit declaration can also be considered as a reason of

the investors' mistrust due to the lack of presenting clear information and financial and non-financial reports of companies. Therefore, it can be declared that adopted decisions generally are irrational and based on gaining short-term return due to price fluctuations obtained from dissipating various information and news such that the efficacy of capital market is emphasized. It seems that it is necessary to consider the factors influencing social trust in capital market to investigate the role of trust on the investors' reaction. It is also necessary to attempt to maintain trust level by fostering the factors influencing it at an appropriate level. These findings are consistent with the results reported by Piozener et al. (2013). They asserted that higher trust influences investors' reaction to a more extent.

On the other hand, since education level of the professional investors in the sample is at a high level, in capital market, the investors have a reverse relation with trust level to react to profit declaration. That is, higher education level leads to less trust of the investors to react to information and news while in the societies with less education, trust level is less relied. According to the research findings, it can be proved that if societies and organizations are poor in terms of social capital, not only individuals but also organizations will suffer from loss. Since the existence of a poor environment in terms of trust and accordingly, social capital may cause that individuals with high education leave the community and management costs are increased and subsequently, the efficiency of that community is decreased. Therefore, it can be concluded that people with high education make more realistic and reasonable decisions relative to people with low education level.

The results obtained from testing the second hypothesis are consistent with the report of Piozener et al. (2013). They found that in countries with average to low education level, people have more emphasis as a response of companies to companies' profit declaration. The research findings are also consisted with the reports of HeydarAbadi. As they concluded, there is a negative and reverse relation between education level and social class and social trust level. Therefore, it can be stated that to consider the efficiency of market and the increase of trust level in capital market, social responsibility of units is increased. In addition to identifying and removing the factors weakening trust, the factors influencing the increase of trust level and subsequently, strengthening the social capital find importance.

RECOMMENDATIONS

Considering theoretical principles and according the obtained research results, the following items are recommended to be used at the level of communities and companies:

Following by the hypotheses testing and the findings obtained by other researchers indicating the effect of information on investors' reaction and the

confirmation of the relation of education and its effect on investors' reaction, considering market efficiency and helping investors and other users of information to adopt reasonable decisions, as well as to foster social trust and accordingly, social capital in commercial units, the research findings and theoretical principles emphasize on the social responsibility of companies and to prevent users confusion and presenting desirable inter-organizational reporting and supplying informational needs of users, taking social accounting by official organizations and commercial units find importance.

RECOMMENDATIONS FOR FURTHER STUDIES

1. Investigating the role of trust on investors' reaction with a focus on the quality of profit and delay in reports

2. The relation between human and social capital and their effect on the increase of capital market efficacy

3. Investigating the role of trust on investors' reaction with a focus on cultural dimensions (gender, education, income, and religious beliefs)

4. Investigating the role of trust on investors' reaction with a focus on liquidity characteristic of 50 more active exchange companies

References

AzkiaMostafa, GhafariGholamreza, 2004, rural development with an emphasize on rural society of Iran, Ney publication, Tehran.

Aghayi Mohammad-Ali, EtemadiHosain, Chalaki, 2009, corporate governance characteristic and information content of earning in securities and exchange with an emphasize on management role, forth year, No16, pages 27-53.

Babayi-Mojarad Hossain, 2011, justification of psychological factors effectiveness in investors behavior in full and bounded rationality approach, third year, quarterly journal of Islamic-economical knowedge, No 1, pages 39-66.

HeidarAbadiAbolghasem, 2010, social trust and social-cultural factors effects, 1th year, sociologic journal, pages 39-66.

RahmaniTeymour, MeysamAmiri, 2007, study of effectiveness of trust on economic growth in Iran provinces by spatial quantitative economics, economic research, pages 23-57.

AbdehTabrizi Hossain, Jahankani Ali, 1993, capital investment, financial researches, pages 7.

FokoyamaFrancies, 2000, the end of order, translator: TavasoliGholam-Abbas, Tehran, Iranian Society publication.

GiddnsAnthoney, 1997, outcomes of modernity Translator: Salasi Mohsen, Tehran, Center Publication.

AbdehTabrizi, Hossain and Ali Jahankjani.

Guiso, L., P. Sapienza, and L. Zingales(2003). People's opium? Religion and economic attitudes. Journal of Monetary Economics 50, 225-282.

Knack, S. and P. Keefer, 1997. Does social capital have an economic payoff? A Cross-Country Investigation. Quarterly Journal of Economics 112, 1251-1288.

Namazi, M.(1985). "A Critical Review of the Efficient MarketHypothesis", *Akron Business and Economic Review*, 27-35.

Olson , R.K. et al. (1998). Psychological findings in preterm children related to neurologic status and magnetic resonance imaging .Pediatrics , 102: 329-336.

Pevzner, M., FeiXie,andXiangangXin (2013), When Firms Talk, Do Investors Listen? The Role of Trust in Stock Market Reactions to Corporate Earnings Announcements. George Mason University.