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# EMBEDDEDNESS AND ITS FLEXIBILITY

- That said, it's **not as simple as replacing organizational rules with social relations** as the reason **why trust exists** in economic life.
- What compelling about his **embeddedness** argument is that its focus on networks **allows for a lot of flexibility**, acknowledging the **co-existence of malfeasance and fraud with trust and cooperation**.



AFTER TODAY, YOU SHOULD BE ABLE  
TO EXPLAIN:

