

*Social Planning Network of Ontario
Social Capital Formation Project*

Annotated Bibliography on Social Capital

Introduction

This bibliography is organized under headings rather than alphabetically to increase its accessibility to the reader who is unfamiliar with the literature on social capital or who may have a particular interest in the subject. It contains 50 sources.

In many cases the articles are available on the internet by clicking on the web address provided. In other cases the reference information is provided for sources that can be accessed at large reference or university libraries. Each source has been placed under a heading that captures its main idea. However, many articles develop several ideas or touch upon more than one topic heading.

At the end, a list of websites has been provided which are good repositories of web based social capital information. Several of the sites contain links to other sites and sources or articles that may be downloaded.

Finally, a list of important monographs on the topic of social capital is provided.

This annotated bibliography on social capital is not exhaustive and will be updated on an ongoing basis as additional sources are reviewed.

The Measurement and Empirical Study of Social Capital

Falk, I. & Harrison, L. (1998). **Indicators of Social Capital: Social Capital as the Product of Local Interactive Learning Processes.** *Centre for Research and Learning in Regional Australia*, [On-line], Available: www.crlra.utas.edu.au

This research aims to develop social capital indicators using a community case study and grounded theory. The research question for this study is: what is the nature of interactive productivity between local networks in a community? The study defines social capital as “the outcome of the quality and quantity of the learning processes (interactive productivity) between individuals and groups in the community.” For this study, learning is assumed to build social capital, which is an important part of economic growth. The researchers selected study participants who are perceived to be “movers and shakers and quiet achievers” based on a network map and snowball sample in their chosen community. The data included interview transcripts, tape recordings of conversations and diary collection. Three sets of tentative indicators were derived from the study: knowledge resources (where

interactions draw on the resource of shared common knowledge of community, personal, and collective information), identity resources (where interactions draw on the resource of shared understandings of identity) and consolidated resources (where the interactions draw on knowledge of community assets). An underlying assumption in this study is that interactions and the resulting indicators create and reproduce norms, networks and reciprocity. Therefore, they are indicators of social capital. This research paper is important because it differentiates more clearly between the process and outcome of social capital. Interactive processes (which can be tracked by these proposed indicators) build social capital.

Stone, W. (2001). **Measuring Social Capital**. *Australian Institute of Family Studies*, Research Paper No. 24. [On-line], Available: www.aifs.org.au/

The thrust of the paper is that social capital theory has developed more quickly than empirical study and measurement. The paper focuses on measurement of social capital at the family and community level where data has been collected from individuals. There has been some qualitative research using tools other than surveys but this has been a small part of research to date. The definition offered by this paper is that social capital is a resource to collective action leading to a range of outcomes. As such there is a need for measurement approaches of social capital and its outcomes. Research to date has often measured social capital outcomes and called these social capital indicators. Indicators of social capital include outcomes based on its core components of networks, trust and reciprocity. The outcome of civic engagement has been measured by counting memberships in voluntary associations. Other more indirect indicators of social capital in the literature include: life expectancy, health status, suicide rates, employment rates, growth in GDP, etc. These approaches have led to confusion about what social capital is as separate from what it does. If social capital is understood to be networks that are characterized by norms of trust and reciprocity, then measurement must include studying the structure and quality of the networks. The paper offers a useful conceptual model. The structure of social relations: networks can be identified by type (informal or formal), size (limited to extensive), spatial (household to global), structural (open or closed, dense or sparse, homogeneous or heterogeneous), relational (vertical or horizontal). The quality of social relations can be identified by norms of trust (familiar/personal social trust, generalized social trust and civic/institutional trust) and norms of reciprocity (in kind vs. in lieu, direct vs. indirect and immediate vs. delayed). The balance of the paper investigates each of these items in detail and provides examples of approaches to their measurement from the social capital literature.

Schuller, T. (2001). **The Complementary Roles of Human and Social Capital**. *ISUMA*, 2(1), [On-line], Available: www.isuma.net

The article differentiates between human and social capital in similar ways as other authors have done. Schuller suggests that, although social capital lacks an agreed upon definition and measurement approach, it is useful as a policy concept because it provides a wide focus and foundation for policy analysis, it allows for the issue of

social cohesion to be addressed in economic decision making and it inserts a longer term perspective into our policy decisions. He also provides a model for studying the interaction of human and social capital suggesting in what ways each bolsters or depresses the other. Discussing measurement dilemmas, the author reviews difficulties with quantitative studies and statistical analyses based on questionable data using highly ambiguous questions and the problems of aggregation from the individual level upward. He suggests that qualitative study is necessary because social capital cannot be conceptualized in linear terms that suggest that more social capital is wholly better and less is automatically worse. He suggests five areas that require more study: work time patterns, technology and social development, the value of informal learning, intergenerational solidarity and improved policy co-ordination.

Putnam, R. (2001). **Social Capital Measurement and Consequences.** *ISUMA*, 2(1), [On-line], Available: www.isuma.net

Putnam suggests that the social capital research agenda should be concerned with developing empirically valid dimensions along which social capital could be measured. He reviews his data that show a decline in membership in formal associations in America during the 20th century. He also cites data like the Roper survey, which track more informal types of social connections that have also shown a decline. He agrees with Woolcock that social trust is not an element of social capital but rather a consequence; in this way he sees it as a proxy for social capital. He suggests that social trust has declined generationally in the US such that younger Americans are less trusting than older Americans. He also writes that social connectedness is a strong predictor of altruism. Altruism can be measured by looking at what fraction of income Americans give to charity. This has also been falling in a similar pattern to civic engagement. He maps social capital in the US and finds that states closer to the Canadian border are higher in social capital, low social capital is also associated with states that had extensive slavery in the last century, and stable migration patterns are associated with higher social capital. He then compares social capital with economic and social outcomes finding a strong relationship with higher educational performance and social capital. Crime is predicted by lower social capital. Good health is also predicted by social connectedness. Income and civic inequality are also less in states with high social capital. In these cases the causal arrows run in both directions.

Woolcock, M. (2001). **The Place of Social Capital in Understanding Social and Economic Outcomes.** *ISUMA*, 2(1), [On-line], Available: www.isuma.net

Woolcock addresses the question of how social capital differs from human capital and social capability. He defines social capital this way: "one's family, friends and associates constitute an important asset, one that can be called upon in a crisis, enjoyed for its own sake, and/or leveraged for material gain". On the other hand, social capital has costs as well as benefits. Research on social capital has shown that people with rich social connections are more likely to have housing, jobs, good

health and life satisfaction. Economists are interested in social capital as another part of the equation along with physical, human and financial capital. Their definition of social capital tends to include networks and values like trust and reciprocity. Social capital has also been measured across units of analysis ranging from the individual to the nation. This all encompassing nature has led to criticisms of the concept as being too flexible and therefore meaningless. Woolcock advocates for a definition of social capital that focuses on what it is rather than what it does; therefore trust becomes a consequence of social capital not an element of it. Woolcock also reviews those ideas of bonding, bridging and scaling up and the need for government intervention to provide the institutional context for these relationships to flourish. After dealing with the critics, Woolcock suggests some direction for the measurement of social capital. He suggests indicator development using large representative samples and local qualitative studies. Woolcock sees social capital as a key ingredient in sustainable economic development because of the importance of attending to and prioritizing social relationships.

Pope, J. **Social Capital and Social Capital Indicators: A Reading List.** [On-line], Available: www.publichealth.gov.au/pub.htm

Literature review of social capital that reviews its origins with Coleman and Bourdieu and the types of measures that emerge from their definitions. Includes Putnam and Cox as derivatives of Coleman. Reviews criticism of Putnam as circular and tautological; social capital is simultaneously a 'cause and effect'. Makes distinct the difference between Coleman and Bourdieu: Coleman says that communities become rich because they are civic, while Bourdieu claims the reverse. Measuring using Bourdieu's definition must be qualitative because social relations are complex and social capital is not the property of the individual. Measurement using Coleman can be quantified: "social processes that reflect social capital are measured by combining measures of an individual's trust with measures of membership, and the measures are generated by asking questions in social surveys". There are four main critiques of Coleman's approach to measurement: social capital indicators lack clear definition (there are few known or validated ways to measure social glue or cohesion and a distinction must be made between the sources of social capital and its positive derivatives), collective social capital is not the same as individual social capital (cannot simply aggregate individual measures), social capital may not always lead to positive outcomes (enforced homogeneity), and social capital outcomes may reinforce inequality (social capital cannot replace infrastructure).

Ritchey-Vance, M. **Social Capital, Sustainability, and Working Democracy: New Yardsticks for Grassroots Development.** [On-line], Available: www.iaf.gov/pubs

This article discusses the Inter-American Foundation's Grassroots Development Framework that was developed as a conceptual tool to evaluate the results of development projects. The tool focuses on results that are less tangible and 'product' based like 'did grants strengthen civic organizations'. The conceptual tool

may be a way of measuring the growth of social capital as a result of community development projects.

Australian Bureau of Statistics. (2000). **Measuring Social Capital: Current Collections and Future Directions.** [On-line], Available: www.abs.gov.au/websitedbs

Discusses a proposal to add the measurement of social capital in Australia to the 2002 General Social Survey. Deals with indicator selection and level of analysis. Raises important questions like: "Can the concept of social capital as a resource of a group be successfully measured by aggregating information collected from individuals?" Includes a useful diagram to help identify indicators of social capital. The diagram envisions measurable social capital at four levels – individual, core (family and friends), informal community (e.g. associations/clubs, organizations, church) and formal community (e.g. government agencies, market, legal institutions, political process).

Galper, Joshua. **An Exploration of Social Capital, Giving and Volunteering and the United States County Level.** [On-line], Available: www.urban.org/cnp/galper/galper.pdf

Contributes to the body of knowledge on measuring social capital. Assumes based on Putnam and others that social capital exists and can be measured empirically. The study sought to test whether social capital is determinate in why giving to charity and volunteering occurs. It found a correlation between giving to charity and social capital (as operationalized by Putnam). The volunteering variable was disregarded as unreliable in the study because it was extremely associated and possibly indistinct from the 'giving to charity' variable.

Wall, E., Ferrazzi, G. & Schryer, F. (1998). **Getting The Goods On Social Capital.** *Rural Sociology*, 63(2), 300-322.

Provides a review and critique of the concept of social capital. Traces the etiology of the term and its entrance into academic debate. Credits Bourdieu, Coleman and Putnam for elaborating the concept in three different ways. Each theorist has a perspective on social capital as a resource, as goal oriented and as social control. Bourdieu takes a conflict perspective that sees social capital as a way for one group to gain power and influence over others. Both Coleman and Putnam see it as a positive resource, underpinned by values and norms that strengthens democracy (Putnam) and leads to socioeconomic prosperity (Coleman). With respect to measurement, each of these theorists use quantitative methods to assess membership in organizations and voluntary associations, however, each focuses on a different level of analysis. Bourdieu suggests that individuals with titles or positions of status can mobilize social capital to benefit their own group or class. Coleman focuses on the level of the family and memberships in the family to measure social capital. Putnam assesses participation rates in voluntary organizations and

associations. With a strong focus on quantitative methodologies, these approaches do not assess the quality of relationships that may also tell us a great deal about social capital. The authors argue for more qualitative research on social capital.

Bullen, P. and Onyx, J. (1998). **Measuring Social Capital in Five Communities in NSW**. [On-line], Available: www.map1.com.au/

An overview of a study that measured social capital in five communities in New South Wales, Australia. Includes the best 36 questions from the survey which measure eight elements of social capital: participation in the local community, proactivity in a social context, feelings of trust and safety, neighbourhood connections, family and friends connection, tolerance of diversity, value of life and work connections.

Krishna, A. and Shrader, E. (1999). **Social Capital Assessment Tool**, *Conference on Social Capital and Poverty Reduction, The World Bank*. [On-line], Available: www.worldbank.org/poverty/scapital/library/surveys

Describes the Social Capital Assessment Tool – “a field tested set of indicators and methodologies that measure levels of cognitive and structural social capital in communities designated as beneficiaries of development projects”. There are three parts: community profile, household survey and organizational profile.

Schweitzer, John. **Neighbourhood Social Capital Survey**. [On-line], Available: www.msu.edu/user/socomm/nscsurvey.htm

This is a simple, 11 question survey that is designed to measure social capital at the neighbourhood level.

Newton, K. (1997). **Social Capital And Democracy**. *American Behavioral Scientist*, 40(5), 575-586.

The author argues for keeping theoretically distinct three elements of social capital: norms, networks, and consequences. Social capital encompasses values and attitudes that encourage citizens to trust and cooperate with each other. Social networks are a critical part of social capital because the ability to mobilize personal social contacts is important to a functioning society. It is not clear whether trust must exist for social networks to form or if the networks foster trust. Newton suggests that social capital should not be defined by the social goods that it is assumed to produce, rather, we should pose the question: Does social capital help generate collective goods and services and, if so, under what conditions? He also critiques the Tocquevillean (1968) model, which suggests that democracy is generated by face-to-face interaction in formal voluntary organizations. He suggests that researchers must grapple with the question of what sorts of organizations are best at generating what forms of social capital?

Fukuyama, F. (1999). **Social Capital and Civil Society**. *IMF Conference in Second Generation Reforms*. [On-line], Available: www.imf.org/external/pubs/ft/seminar/1999/reforms/fukuyama.htm

Defines social capital as: “an instantiated informal norm that promotes cooperation between two or more individuals”. Argues that social capital has an economic benefit by reducing transaction costs between individuals. Politically, social capital guards against ‘excessive individualism’ where citizens eschew involvement with others beyond the family. Social capital is key component of civil society, which balances the state’s power over the individual. Excess social capital may lead to disunity as groups compete for public resources. Fukuyama argues that a significant downside of the concept of social capital is the lack of consensus on how to measure it. He reports on two main approaches: counting groups and group memberships and using survey to collect data on trust and civic engagement. Both methods are inadequate and imprecise. States can foster the creation of social capital by being aware of its possible negative consequences because it is associated with groups that may have a narrow ‘radius of trust’, supporting educational institutions which are a primary location for social capital creation, by providing some public goods like property rights and public safety and by avoiding undermining the organizing efforts of community through excessive control.

Paxton, P. (1999). **Is Social Capital Declining In The United States? A Multiple Indicator Assessment**. *American Journal of Sociology*, 105(1), 88-127

Article investigates the decline of social capital in the US by addressing two issues that call other measures of social capital into question: closing the gap between the concept of social capital and its measurement and by introducing multiple indicators. It also draws attention to the limitation of tracking social capital by looking at its levels over time without allowing for changes in dispersion of social capital within these levels. The article clearly differentiates between the two originators of the definition of social capital currently being used by researchers: Bourdieu and Coleman. For Bourdieu social capital is a resource for the group, while Coleman sees it as a resource for the individual. Paxton represents the literature in her definition of the concept. Social capital has two components: the objective links that connect individuals and the quality of those links; the ties must be positive, reciprocal, trusting, and so on. Social capital may produce individual level and group level ‘goods’. It may also produce goods for the community as Putnam and Fukuyama have suggested. Citing Granovetter, Paxton points out that within group social capital will not necessarily produce goods at the community level; for this to happen there must be ‘weak ties’ among groups. Using data from the General Social Surveys in the US for nine years between 1975 and 1994, Paxton’s model measures an individual’s “subjective trust toward others in the community” and the individual’s “objective associations or ties to the community”. Overall her study found no decline in associations and a decline in trust over time. Specifically, she found a decline in trust of individuals rather than trust in institutions. She suggests that future

research should focus on assessing social capital in different segments of the population and measuring the ties between groups and associations.

The Social Capital Community Benchmark Survey. [On-line], Available: www.cfsv.org/communitysurvey

Website includes the actual survey that was conducted by telephone with approximately 30,000 Americans to track their levels of civic engagement. Fits well with the Putnam approach to social capital with a view to measuring overall social capital in the US. Questions address how connected Americans are to family, friends, neighbours, and local and national civic institutions.

Role of the Community or Community Level Social Capital

Sampson, R.J. (1999). “**What ‘Community’ Supplies**”. In R. Ferguson & B. Dicken (Eds.), *Urban Problems and Community Development*. Washington, D.C.: Brookings Institution Press.

In this article the author discusses how social capital works at the community level. Sampson argues that social capital is not lodged in individuals but in the structure of social organization. It follows that communities high in social capital are better able to realize common values and maintain effective social controls. Like many authors, he points out that social capital is misleading in that it alludes to a commodity rather than a process. Social capital is comparable to the notion of collective efficacy - the linkage of mutual trust and the willingness to intervene for the common good. Just as individuals vary in their capacity for collective action, so too do neighbourhoods vary in their capacity to achieve common goals. When the horizontal links among institutions in a community are weak, the capacity to defend local interests is weakened. Many communities exhibit intense private ties among friends and kin and yet still lack the institutional capacity to achieve social control. To achieve social order must have interdependence among informal social control and formal institutions such as police. In areas of economic distress the incentives for participation in the social aspects of community life are reduced. Studies have found that the neighbourhood socioeconomic status and joblessness interacted to predict adolescent outcomes. The absence of affluent neighbours is a better predictor of poor outcomes than the presence of low-income neighbours. This supports the theory of collective socialization.

Douglas Willms, A.J. (2001). **Three Hypotheses About Community Effects On Social Outcomes.** *ISUMA*, 2(1), [On-line], Available: www.isuma.net

The paper discusses three hypotheses about how community differences affect social outcomes as a way of investigating the relationship between social capital and social outcomes. The first hypothesis is that communities have different social outcomes even after accounting for socioeconomic status. The second hypothesis is

that successful communities are those that have been successful in improving the social outcomes of the least advantaged. Thirdly, while people from less advantaged backgrounds are vulnerable to poor social outcomes, those who also live in less advantaged communities are especially vulnerable. Using data about literacy skills for youth, the author found support for all three hypotheses. The author also advocates for the use of multi level modeling so that different forms of social capital at different levels of aggregation can be measured to estimate their effects on the social outcomes of individuals. He also advocates for more study at the local community and incorporating geography into the analysis. This would allow for the relationship between social capital and health status, adjusted for socioeconomic status, across local areas to be displayed

Hampshire, A. and Healy, K. (2000). **Social Capital in Practice**. Family Futures: Issues in Research and Policy, 7th Australian Institute of Family Studies Conference, Sydney 24-26 July 2000. [On-line], Available: www.aifs.org.au/institute/afrc7/hampshire.html

This article discusses the application of social capital theory to non-profit organizations using The Benevolent Society (Australia's oldest non profit) as a case study. Suggests that the term social capital is confusing and intimidating – so for the purposes of the case study the term 'community engagement' was substituted. The authors take the view that social capital requires broad cooperation across all institutions in society including the family, non-profits, governments and the private sector in order to address community problems. They claim that a role for the private sector in generating social capital, beyond straight philanthropy, has not been defined clearly. Quoting Dorothy Scott (1999), the authors see a key role for non profit community services which "are able to tap into a reservoir of community 'good will' and that, in turn can be used to achieve social objectives". As governments retreat, the ability of non profits to create social capital generating opportunities will decline because of the need to target services and have clear outputs. Article uses community engagement based on the ideas of bonding, bridging and linking to institutions as a conceptual framework to evaluate three Benevolent Society programs.

What is Local Social Capital. [On-line], Available: www.scvo.org.uk

Local social capital is a pilot project of the European Commission to provide small grants at the local level. Projects that enhance local networking, increase social cohesion and develop community enterprise will be considered for funding. Designed to address local 'exclusion' through bottom up initiatives.

Warner, M. (1999). **Social Capital Construction And The Role Of The Local State**. *Rural Sociology*, 64(3), 373-393.

Identifies that Putnam has been criticized for over-emphasis on the role of voluntary organizations without considering the role of formal institutions in creating social

capital. The article proposes a theoretical framework for the role of government in social capital construction. The paper seeks to explore social capital's role in the community change and the inclusion of excluded groups. Identifies the World Bank's contribution in conceptually separating structural social capital (social organization, roles, rules, networks) and cognitive social capital (normative). Clearly structural social capital is easier to see and measure. Points out the critique made by structural scholars that access to economic resources underlies impoverishment, not lack of social capital. Emphasizes the role of local government in an era of decentralization and privatization which can intervene directly or through local community based intermediaries. Decentralizing programs to the neighbourhood level and supporting the development of local leadership capacity will build social capital. However this local focus ignores the larger structural issues that contribute to various forms of disadvantage in communities. Attention must be paid as to whether communities are characterized by horizontal linkages or hierarchical social capital.

Bebbington, A. and Perreault, T. (1999). **Social Capital, Development And Access To Resources In Highland Ecuador**. *Economic Geography*, 75(4), 395-418.

Acknowledges that social capital is used in a myriad of ways in the literature: as "family and kinship connections; social networks or associational life related to groups or organizations; cross-sectoral linkages or networks of networks that link organizations of state, market and civil society around problem-solving tasks; political capital, the informal relationships and norms that link civil society and the state and which determine levels of social control over the state; institutional and policy frameworks regulating public life; and social norms and values which influence societal functioning". In terms of constructing social capital, there may be three pathways (Fox, 1996): state society convergence when government insiders use their power and influence to support disadvantaged communities, 'co production' which refers to collaboration between local and distant civil society organizations, and grassroots group formation and mobilization.

Borgos, S. & Douglas, S. **Community Organizing and Civic Renewal: A View from the South**. [On-line], Available: www.virginiaorganizing.org/articles/community_organizing.html

Distinguishes 'community organizations' from other kinds of voluntary associations as those that "empower their members to speak on their own behalf rather than through professional intermediaries". Community organizations view participation as an end, value inclusiveness (address equity and diversity) and take a critical perspective on society, particularly social and economic relations. The authors argue that these organizations produce social capital that has more value to democracy than other forms because they are particularly good at fostering bridging capital and they are a vehicle for education, awareness and action on issues that may be politically divisive.

Civic Practices Network. **Social Capital. CPN Tools.** [On-line], Available: www.cpn.org/sections/tools/models/social_capital.html

Uses a Coleman/Putnam derived definition of social capital as a productive and positive resource: “social capital refers to those stocks of social trust, norms and networks that people can draw on to solve common problems. Networks of civic engagement, such as neighbourhood associations, sports clubs and cooperatives, are an essential form of social capital, the denser the networks, the more likely the members of a community will cooperate for mutual benefit”. Distinguishes between exclusive and homogeneous networks and heterogeneous forms that create links across boundaries of class, race, ethnicity, etc. Examples: congregation-based community organizing, civic environmentalism, participatory school reform and county Extension agents. Discusses Putnam’s thesis of declining social capital by pointing out that quantitative decline does not tell the whole story. Some of the decline may have been in exclusive/homogeneous forms of social capital, which is actually a positive development. Also decline in overall numbers may not be as significant as Putnam argues because some associations may now be more proactive in terms of dealing with social problems than they were when their numbers were larger. Provides a short annotated bibliography of key readings on social capital.

Klein, D.C. **Social Glue as the Necessary Context for Social Capital Development.** [On-line], Available: www.com-dev.org/

Pulls the notion of ‘social glue’ out of the overall definition of social capital and locates it as a necessary pre-condition for the development of social capital within a locality. Social glue is defined as “a mutual bond of recognition, connectedness, acceptance, feeling of responsibility for, and caring about others because they occupy the same territorial community”.

Wilson, P.A. (1997). **Building Social Capital: A Learning Agenda For The Twenty-First Century.** *Urban Studies*, 34(5-6), 745-760.

This article addresses three questions that address the role of academia and professional practitioners in social capital building: How do you know what level of social capital you are starting with?; How do you create it?; How must academia respond in policy and planning programmes by imparting the values, roles and skill necessary to build social capital to graduates? Social capital building does not require practitioners to be catalysts, coaches and facilitators rather than dispensers of technical expertise. The alternative to the technical expert is the reflective practitioner (first introduced by Argyris and Schon) with its roots in social learning theory developed by Dewey. Social learning theory advocates participatory action research based on the ideas that both ‘clients’ and ‘professionals’ have problem-solving knowledge. The role of the practitioner is to promote stakeholder involvement, measure qualitative change and facilitate individual and group

development. Participatory Action Research respects the capacity of stakeholders to produce knowledge through reflecting on action.

Role of the Individual or Individual Level Social Capital

Frank, K.A. & Yasumoto, J.Y. (1998). '**Linking Action to Social Structure within a System: Social Capital within and between Subgroups**'. *American Journal of Sociology*, 103(3), pp. 641-686.

Frank and Yasumoto characterize social capital as a set of obligations or favours that one may accumulate through reciprocal action with others; a system of 'chits'. There are two mechanisms through which people pursue social capital: reciprocity transactions and enforceable trust; individual's disciplined compliance with group expectations.

Burt. R.S. (1999). **The Social Capital Of Opinion Leaders**. *The Annals of the American Academy*, pp. 37-54.

The research concerns how ideas are passed from opinion leaders or brokers to others via networks and 'interpersonal contagion' processes. His theory suggests that opinion brokers have influence between groups; they trigger contagion across the social boundaries between groups. Opinion leaders are similar to network entrepreneurs in social capital research. This article is critical to an understanding of how weak ties can accrue social capital benefits to group members. Brokers use weak ties to cross group boundaries and spread ideas and innovation from one group to another.

Glaeser, E.L. (2001). **The Formation Of Social Capital**. *ISUMA*, 2(1), [On-line], Available: www.isuma.net

The author suggests that a weakness in the research on social capital is a lack of focus on the causes of social capital. The author advocates for a definition of social capital at the individual level because of his contention that investment decisions that largely affect stocks of social capital in a community are made at the individual level. He reminds the reader that education has been consistently identified as the most robust correlate with social capital. He defines social capital using an economic lens as "the set of social resources of a community that increases the welfare of that community". He also contends that, when measured at the individual level, social capital is very close to human capital. He develops an investment model that suggests that social capital is like a stock variable that yields "market" (social skills and connections that help one with employment) and "non market" (something like happiness) returns. Older or more mobile people may be less likely to invest their time in social capital producing activities. Individuals can use their social skills to invest in social capital producing activities that benefit the community as a whole or in activities that benefit only themselves. The author suggests that when an

individual ties the well being of the community as a whole to his well being, then community level investments are more likely. He cites home ownership as a factor that may induce this type of investment decision. As such there is a case for government intervention to support these kinds of individual decisions. Policy tools affecting home ownership, community permanence and most importantly education are noted. The author also develops an economic model of social capital investment, which suggests, "As the expected duration of an investment declines, the amount of investment will also decline". He also suggests that individuals who work in jobs where people contact is emphasized will value these connections more and invest their time in supporting social connections in their work life and outside of it. He also discusses education and ethnic heterogeneity as variables that are closely related to social capital formation where higher education is correlated with higher social capital and more ethnic heterogeneity seems to depress social capital.

Lemieux, V. (2001). **Social Capital In Situation Of Co-Operation And Conflict.** *ISUMA*, 2(1), [On-line], Available: www.isuma.net

The article investigates the idea of measuring social capital by number of contacts. It discusses the difference between weak and strong ties, which refer to the content, and intensity of the contact. Weak ties connect individuals who have no direct relationship. Most of the literature on social capital has focused on cooperation. I might use a lever with whom I have a strong tie to connect with that lever's strong ties. In this case the lever's contacts become an extension of one's own social capital. The author also discusses Burt's (1992) research on structural holes (this exists between two actors in relation to a third when they cannot communicate with each other except through the third actor). Disconnective social capital is based on these structural holes – "the extent of the source's connective or disconnective social capital is determined by the number of relationships between contacts". In conflict situations, structural holes may help one opponent win over the other.

Davis, J. (1999). **Volunteering and Social Development: A Background Paper for Discussion at an Expert Group Meeting New York, November 29-30, 1999.** *United Nations Information Technology Services* – Reference Document. [On-line], Available: www.unites.org/reference/justin0.html .

Locates the growth of social capital as one benefit of volunteering; volunteering contributes to social cohesion and economic prosperity. Reviews some work commissioned by the World Bank in the third world. Identifies Narayan's (1999) contribution to an understanding of the distinction between bonding and bridging social capital and the need for both to achieve social cohesion. Emphasizes that governments have a role in supporting the voluntary associations and community organizations that nurture social capital. The article also covers many more aspects of volunteering with an emphasis on its positive role in social development.

Youniss, J., McLellan, J.A., and Yates, M. (1997). **What We Know About Engendering Civic Identity.** *American Behavioral Scientist*, 40(5), 620-631.

This article argues that the notion of civic engagement requires a developmental perspective because participating in groups as a young person has a positive impact on future patterns of civic participation. Such participation allows youth to develop a civic identity that follows them into adulthood by giving them practice with group processes and the belief that their effort can make an impact on the community.

Brehm, J. and Rahn, W. (1999). **Individual-Level Evidence For The Causes And Consequences Of Social Capital.** *American Journal of Political Science*, 41(3), 999-1023.

This article reports on a research study that examines a hypothesis about social capital: “the more citizens participate in their communities, the more they learn to trust others; the greater trust that citizens hold for others, the more likely they are to participate”. They argue that while Putnam and Coleman suggest that social capital is the property of communities, it is the individual’s involvement and propensity for such involvement that more accurately measures social capital. The study finds a relationship between civic engagement and interpersonal trust with civic engagement exerting a stronger influence on trust than was true in the reverse.

Role of the State in Promoting the Benefits of Social Capital

Hall, P. (1999). **Social Capital in Britain.** *British Journal of Political Science*, 29, 417-461

This study examines Britain for evidence of a decline in social capital as reported by Putnam. Hall’s study did not find a similar decline in social capital in Britain following Putnam’s definition. Looking at memberships in voluntary organizations and associations from 1951 to 1991, Hall found an uneven pattern; traditional women’s organizations have declined in membership while environmental organizations have made significant gains, some other organizations have lost while some others have gained. Associational memberships as reported by the British electorate are as high today as in the 1950’s. The number of charities has grown, as has the amount of money being donated to charity. Volunteering remains a common activity in Britain, with about one third of British citizens engaged in this activity. There also appears to have been an expansion of informal social activity over the last forty years. Hall did not find clear evidence that the post war generations are less involved in civic activity than the previous generation, as Putnam found. In Britain Hall found no significant correlation between women entering the labour force, time spent working and changes in family status and individuals being involved in community activities. TV watching may be having a greater effect on social capital decline among the working class compared to the middle class. Overall Hall postulates three main reasons for the resilience of social capital in Britain as compared to the US:

expansion of secondary and post secondary educational opportunities, the growth of the middle class, and the state's support for a strong voluntary sector in social policy and the delivery of public services.

Evans, P. **Government Action, Social Capital and Development: Reviewing the Evidence on Synergy.** [On-line], Available: escholarship.cdlib.org/ias/evans/evans_ev.html

Discusses the notion of active government and mobilized communities working together – called synergy. Defines synergy by discussing two key concepts: complementarity and embeddedness. Complementarity says that governments are more suited to deliver certain kinds of public goods than private actors. Both deliver important goods and this supports an ongoing separation between the public and private sectors. Embeddedness refers to connections between citizens and officials that cross this divide. Evans argues that both are important in third world development: “complementarities create the potential but do not provide an institutional basis for realizing it...people working in public agencies are closely embedded in the communities they work with, creating social capital that spans the public-private divide”.

Critiques of Social Capital

Erben, R., Franzkowiak, P. and Wenzel, E. (2000). **People Empowerment Vs. Social Capital. From Health Promotion To Social Marketing.** [On-line], Available: www.1db.org/perth99.htm

Paper argues that the notion of social capital is incompatible with the values of health promotion as presented in the Ottawa Charter. Their argument is that social capital assumes that we are all in one boat, while the principles of health promotion acknowledge differential access to power and privilege in society. Social capital believes in partnership while health promotion recognizes that true partnership is impossible if there are inequalities.

Morrow, V. (1999). **Conceptualising Social Capital In Relation To The Well-Being Of Children And Young People: A Critical Review.** *The Sociological Review*, 744-765.

Social capital is a descriptive construct rather than an explanatory model. Critiques the Coleman view of social capital as an ahistorical and devoid of socioeconomic context. Points out that Putnam's notion may be gender-blind and ethnocentric. In applying social capital to children and youth, current notions under emphasize child agency. Social capital may be useful in health research because it links micro level behaviour with macro social factors.

Leeder, S. (1998). **Social Capital and its Relevance to Health and Family Policy**. [On-line], Available: www.pha.org.au/social.htm

Written by past president of the Public Health Association of Australia. Traces etiology of term from Loury to Coleman to Putnam to Cox. The right and the left have embraced the term. Identifies Putnam's fear that the term could be used for negative social purposes: an excuse for sending women back into the home, World Bank may be using it to distort investment conditions in the third world, and justification for returning chronic care to families. Concept needs more empirical testing – what is the relationship between choirs and good health and what will we do if such a relationship can be shown? Social capital implies that to be productive is good – what will be the implication for the elderly, disabled, etc? This article draws attention to the dark sides of social capital as a social policy concept.

Fitzsimmons, P. (2000). **Neoliberalism and 'Social Capital': Reinventing Community**. *New Zealand Association for Research in Education, AREA Conference, New Orleans*. [On-line], Available: www.amat.org.nz/Neoliberalism.pdf

The author argues that government proponents of neoliberalism to justify state disengagement in New Zealand have used social capital. Devolution of state services onto communities raises many concerns about loss of liberty and reduced chances for equality. 'Community' has been defined in many ways and has "no referent in the real world'. Thus the rhetoric of community has led to the development of a 'shadow state' and a minimal social safety net.

Social Capital and Economics

Servon, L.J. (1998). **'Credit and Social Capital: The Commodity Development Potential of U.S. Microenterprise Programs'**. *Housing Policy Debate, 9(1)*, pp. 115-149.

Servon investigates the question "can microenterprise build enterprise to create trust and norms?" Microenterprise projects create relationships between borrowers and borrowers and program staff. They also create networks with other community-based organizations and public and private institutions. These CED activities have critical community development spin-offs. If the inter and intra program networks create social capital, then the accumulation of social capital is an important part of community development. The process of foster intraprogram relationships is that borrowers reduce isolation and bond with one another. Women only organizations may allow trust among participants to be built more quickly. Interprogram relationships alter norms and allow social capital to be built. For example, many banks that contribute to the microenterprise loans fund begin to lend to a wider population due to the reliability of the microenterprise borrowers.

Coté, S. (2001). **The Contribution Of Human And Social Capital**. *ISUMA*, 2(1), [On-line], Available: www.isuma.net

Cote reviews definitions of human and social capital. Human capital “has come to refer to the knowledge, skills, competencies and attributes embodied in individuals”. Social capital “has been defined in terms of networks, norms and values, and the way these allow agents and institutions to be more effective in achieving common objectives”. The author notes that much attention has been given to the role of voluntary associations while the roles of families, schools and firms have been less researched. He also notes the breakdown of social capital into three types: bonds, bridges and linkages. He mentions measurement difficulties because social capital is embodied in relationships and it a multidimensional concept with different possible levels of analysis. Human and social capital are embedded in political, institutional and legal conditions which allow for economic development. The conditions are: protect private property, enforce contracts, regulations for market activity, provide macro economic stability, provide social insurance and manage social conflict by upholding democratic rights. As well there are five elements of social cohesion that reconcile market activity and human need: belonging, inclusion, participation, recognition and legitimacy. He also suggests that social capital is not a panacea because some forms of social capital do not promote social cohesion. He creates a list of government actions that will support human and social capital, education is a large focus here but he also attends to inclusion of diverse groups, health care delivery, flexible work schedules, use of public space and better urban infrastructure to avoid sprawl and excessive commuting.

Omori, T. (2001). **Balancing Economic Growth With Well Being: Implications Of The Japanese Experience**. *ISUMA*, 2(1), [On-line], Available: www.isuma.net

The author describes social capital as having three components: “it substitutes for markets and institutions in developing countries, it complements markets and institutions and it can be a direct foundation for well being”. The article describes how Japan’s human and social capital assets contributed to its economic successes. Defining social capital as an economic determinant, the author says it comprises a number of factors: the way people co-ordinate themselves, the degree of trust between people, worker cooperation within companies, worker cooperation across companies, the effectiveness of the labour market, the extent to which companies encourage workers to develop their skills, the trustworthiness of people in business according to customers, the reliability of the infrastructure, and the extent to which people trust and co-ordinate with government. The article discusses these and related points in detail.

Lichtenstein, G.A. (1999). **Building Social Capital: A New Strategy for Retaining and Revitalizing Inner-City Manufacturers.** *A Briefing Paper on the Urban Industry Initiative A Special Project of the Philadelphia Development Corporation.* [On-line], Available: www.pewtrusts.com/pubs/hhs/socialcapital2.cfm

This paper provides an economic perspective on social capital. It focuses on social capital as a tool for 'industrial organizing – using social capital strategies to bring companies together in declining inner cities to rebuild floundering economies; a strategy of the Philadelphia Industrial Development Corporation.

Landry, R., Amara, N. and Lamari, M. (2001). **Social Capital, Innovation And Public Policy.** *ISUMA, 2(1)*, [On-line], Available: www.isuma.net

This article examines how social capital affects the manufacturing sector. The authors attribute the growing interest in social capital to smaller returns on investments in physical capital and increasing focus on knowledge as a key source of innovation. In order to investigate these ideas, the researchers surveyed manufacturing firms to measure structural forms of social capital: network capital, relationship capital and participation capital and cognitive social capital: norms, values, attitudes and beliefs. The authors found a significant relationship between the likelihood of innovation in products or services and participation in networks and increased relationship capital.

Social Capital and Organizations

Galaskiewicz, J., Dowell, M. and Bielefeld, W. (unpublished). **The Value Of Social Capital To Organizations** (Abstract only).

Correspondence with Joseph Galaskiewicz indicates that this article has not yet been published. The abstract appeared on the Internet to describe a conference talk. The article will address how organizations use the networks of their members to add value to the organization and its activities. The hypothesis of the research on which the article will be based is that organizations "rich in social capital are better able to survive changes in their activities, funding patterns and ecological niche". The author has promised to send me a copy when it is published.

Social Capital and Health

Veenstra, G. (2001). **Social Capital And Health.** *ISUMA, 2(1)*. [On-line], Available: www.isuma.net

The author reviews the literature on population health and income inequality, which demonstrates that higher income inequality correlates with poorer health outcomes.

Investigates the role that social capital or social cohesion may play in this relationship. For example, regions that tolerate larger gaps between the rich and the poor may be less likely to support community health and social investments infrastructure. Within this context, social capital is seen as the networks and trust that promote social cohesion, which is the opposite of social inequality. With respect to health, greater inequality leads to decreased participation in the public space and greater mistrust both of which negatively affect health. Draws attention to Woolcock's contention that definitions of social capital must differentiate what it is from what it does. The author explicates society's social structure by differentiating between deep structure (class relations, differential access to power based on gender, sexual orientation, race, ethnicity, ability and so on) and shallow or surface structure that has three elements – the economic system, civic society and the political system. He makes the concept of social capital manageable by limiting it to the civic sphere saying "the nature of social relations in the civil space, the extent to which they are embedded in social relations pertaining to other aspects of social structure and the ends they can facilitate for groups and individuals". Addressing the question of why social capital in civil society might affect health, he offers two explanations: compositional effects and contextual factors. Compositional effects refer to the benefits on health that derive from participating. Contextual factors are, for example, the efforts made by the state to reduce inequality through investment in a social safety net. He argues for the latter saying that it is "not that income inequality threatens the nature of social relations so much as the distribution of income reflects, in part, the nature of social relations in the civil and political spheres and the deeper parts of social structure".

Social Capital and Poverty

Warren, M.R., Thompson, J. P., & Saegert, S. (1999). '**Social capital and poor communities: A framework for analysis**', *Ford Foundation Conference: "Social Capital in Poor Communities: Building and Utilizing Social Assets to Combat Poverty"*.

People who trust each other and cooperate within groups for a specific purpose may have a general resource available for some other cooperative endeavour. This resource is social capital. The authors discuss the three types of social capital. Bonding social capital refers to strong local institutions that are necessary to bind individuals together to pursue collective needs. Strong internal bonds and effective organizations provide foundations upon which poor communities can develop the capacity to address problems. Bridging social capital is building ties to other communities. We should not think of building bridging social capital as a way to dissolve conflicts of interest entirely, but more as a way to temper and redefine them as an ongoing process. Bridging (accepting controversy, diverse and complex social networks and mobilizing resources from diverse sources) contributes to economic development activity. Synergy is cooperative relationships among community-based organizations, financial institutions and public agencies. Synergy demands

connections between organized residents of poor communities and the officials and staff of public and private institutions. Weak synergy is when governments supply the basic framework for private action and deliver goods that compliment the inputs of the private sector. Strong synergy suggests embeddedness; public officials share social ties and trust with the community residents across the public/private divide.

de Souza Briggs, X. (1998). '**Brown Kids In White Suburbs: Housing Mobility And The Many Faces Of Social Capital**'. *Housing Policy Debate*, 9(1), pp. 177-221.

This article focuses on the role of social capital in poor communities and how housing policy can affect social capital. For example, focusing on networks and employment, policy can influence social capital by creating workforce development programs to compensate for the lack of social leverage opportunities available to the urban poor. Access to housing is an important piece of this puzzle because housing strategies can enable the poor to live closer to jobs, access stronger job networks and send their children to better schools. For the poor social capital is not just about how many people you know and how close you feel to them, but where there are located socioeconomically. Close ties are the best sources of emotional support while 'weaker' ties among acquaintances may be the best source of social leverage opportunities.

Cohen, C.J. (1999). '**Social Capital, Intervening Institutions And Political Power**'. *Ford Foundation Conference: "Social Capital in Poor Communities: Building and Utilizing Social Assets to Combat Poverty"*.

Cohen discusses social capital and poor communities. Poor communities may have an abundance of trust and reciprocity but the absence of formal institutions inhibits these communities from prospering from their social capital. Cohen wonders if social capital crosses race and ethnic lines in poor communities. Also, women disproportionately populate and sustain poor communities but this gender issue is not examined so political activity of women may be missed in estimations of social capital. Federal policies and resources can undermine social networks, by selecting the poorest; most distressed usually female-headed household as tenants in social housing projects. Isolating these marginalized families destroys social capital. He also argues that other institutions like labour unions, political parties, private foundations, etc, have a role to play in the conversion of social capital in poor communities.

Web Links

Local Social Capital – www.scvo.org.uk/euro/local_capital/default.htm

Paul Bullen Management Alternatives – www.mapl.com.au/Default.htm

Social Capital for Development – www.worldbank.org/poverty/index.htm

New Hampshire Charitable Foundation – www.bettertogethernh.org/contact_us.htm

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Bourdieu, P. (1993). *Sociology In Question*. London: Sage.

Coleman, J. (1990). *Foundations Of Social Theory*. Cambridge, MA: The Belknap Press of Harvard University Press.

Putnam, R.D. (2000). *Bowling Alone: The Collapse And Revival Of American Community*. Toronto: Simon and Schuster.

Putnam, R. D. with Leonardi, R. and Nanetti, R.Y. (1993). *Making Democracy Work: Civic Traditions In Modern Italy*. New Jersey: Princeton University Press.

Robinson, D. (1997). *Social Capital And Policy Development*. Wellington, New Zealand: Institute of Policy Studies, Victoria University of Wellington.

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