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# Social Capital – an Overview

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# Introduction

Social capital is a concept that has attracted much attention from policy makers who are "seeking less costly, non-economic solutions to social problems"(Portes, 1998, p.3). Having become a "cure-all for the maladies affecting society" (ibid, p.2), social capital was implicit in Labour's drive to combat social exclusion on the one hand and the Conservative Government's vision of the "Big Society" on the other. This interest in social capital has even manifested itself in the development of an ONS statistical measure for social capital. Similarly, the Citizenship Survey is largely an attempt to quantify levels of social capital across communities.

Social capital can be distinguished from human capital and economic capital and differs from these in terms of tangibility. Whereas human capital refers to the skills and knowledge of individuals, i.e. education, economic capital refers to money. Both of these are relatively easy to measure, in terms of educational achievement and in monetary terms. Social capital, on the other hand, is about human relationships and networks and there is much controversy over, firstly, how social capital should be measured and, secondly, what these measurements mean.

The idea of social capital is not new – thinkers like Durkheim, Marx and de Tocqueville have always pointed out the value of human relationships --, but these ideas became part of mainstream thinking when Robert Putnam, an American political scientist, published his book *Bowling Alone*, which lamented the decline of community life in contemporary America and proposed the stuff of social capital – social networks, trust and norms – as an antidote. The policy discourse on social capital conceives of social capital as a relatively straightforward concept – a simplicity that is no doubt at the root of its widespread appeal, but that is also misleading in light of the complexities that are involved in detecting, measuring and analysing social capital.
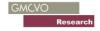
The following briefing will first outline the main academic approaches to social capital and their strengths and weaknesses. This will be followed by a short summary of scholarly articles that have looked at social capital in a voluntary sector/community context.

# Three main approaches to social capital

The three dominant approaches to conceptualising social capital have been proposed by James Coleman, Pierre Bourdieu and Robert Putnam. Putnam is influenced by a host of writers whom he credits as having written on social capital, but he credits Coleman as the inventor of the term "social capital". Putnam's version is somewhat indebted to Coleman, whereas Bourdieu's concept can be seen as more distinct from either of these. As Hollstein (2013) says, Bourdieu conceptualises social capital as an individual resource, whereas Putnam sees it as a resource for society overall.

## Putnam

The main text that sets out Putnam's approach is his volume *Bowling Alone*, in which he tries to document a decline of social capital in contemporary American society. Social capital for Putnam consists in social networks and the trust and norms of reciprocity they inspire. Although he acknowledges the fact that informal associations like friendship build social capital, he appears to be more inclined to value the type of social capital that he sees encapsulated in active and involved membership in civic organisations. The social capital he talks about is characterised by regularity rather than one-off activities; face-to-face contact rather than distant contact or that mediated by communications technology; and active

participation rather than vicarious forms of participation. According to Putnam, it is this form of social capital that is in decline, leading to a situation where "more of our social connectedness is one shot, special purpose, and self oriented … place-based social capital is being supplanted by function-based social capital" (Putnam, 2001, p.184).

Inspired by Tocqueville's view of American democracy being facilitated by civic engagement at a local level, Putnam sees social capital as something that is generated when people engage in activities with each other on a regular basis: "Social capital refers to networks of social connection—doing *with*. Doing good *for* other people, however laudable, is not part of the *definition* of social capital" (Putnam, 2001, p.117). Putnam's concept of social capital therefore seems firmly rooted in geographical place. Although he does give some credit to the Internet for bringing heterogeneous groups of people together by overcoming constraints of time and space, he sees the Internet and the possibilities it creates more as a result of social capital, rather than its cause. In other words, the Internet can be complementary to existing face-to-face relations, rather than supplanting these.

One of the main arguments of Putnam's book is that social capital is always better than the absence of social capital and that social connectedness has beneficial effects for individuals, e.g. in terms of health and wellbeing, and for society overall. However, within that he introduces two distinct forms of social capital: bonding and bridging social capital.

## Bonding versus bridging social capital

Putnam distinguishes two main forms of social capital: bonding and bridging social capital. Bonding social capital refers to social networks that are somewhat exclusive and characterised by the presence of specific reciprocity (doing something for somebody, who returns the favour). Bonding social capital, for example, is typical of friendship and familial relations, but it could also be present in closely-knit organisations and groups that are primarily inward looking and do not readily welcome new members. Bonding social capital is good for inspiring a sense of solidarity and belonging, but has the disadvantage that it can be somewhat claustrophobic and stagnant. It is here that the so-called "dark side" of social capital comes in, which Putnam acknowledges with one chapter in his book. He also says that networks based on bonding social capital can trigger "illiberal effects" (Putnam 2000, (Putnam, 2001, p.358) and promote intolerance in their members.

Networks characterised by heterogeneity, on the other hand, can inspire more tolerance in their members. Bridging social capital connotes social networks that are inclusive and outward looking. According to Putnam, such networks stimulate broader reciprocity (doing something without expecting an immediate reward) and are good for accessing information and resources outside of the group. Bridging social capital is credited with enhancing community cohesion, because people who form bridges between otherwise unrelated groups can mediate between these groups and mobilise the individuals within them for common causes.

Putnam notes that there is no strict distinction between bonding and bridging social capital, but that both can be found in many groups: "bonding and bridging are not 'either-or' categories into which social networks can be neatly divided, but 'more or less' dimensions along which we can compare different forms of social capital" (Putnam, 2001, p.23). Both types of social capital serve different purposes and may have to be prioritised accordingly. Putnam gives the example of bussing, whereby racial segregation of schools was supposed to be counteracted by transporting pupils from black schools to white schools and vice versa. In this example, racially segregated, but neighbourhood-based schools can be seen as a type of bonding social capital, which the proponents of racially-integrated schools wanted to break down to create bridging social capital by bringing racially different others together.

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Putnam notes social networks' contribution to trust and norms. He distinguishes between "thick trust" and "thin trust" (Putnam, 2001, p.136). Whereas thick trust is trust in a specific person based on personal experience, thin trust is based on network density and its ability to foster a norm of generalised reciprocity within the network. In a community where people know each other, members thus violate norms at the risk of damaging their reputation.

Apart from these brief references to the way structural characteristics of social networks relate to their ability to foster social capital, Putnam's methodology of identifying evidence of social capital in American society is based on large-scale statistical measures. Measures in the social capital index he proposes include those on volunteering, number of voluntary and civic organisations and participation in them, engagement in public affairs, informal sociability and social trust. This makes the social capital index relatively similar to the measures in the *UK Community Life Survey* (formerly *Citizenship Survey*), which in turn demonstrates how influential Putnam's ideas have been among policymakers.

## Criticisms of Putnam and linking social capital

In line with his incredible popularity, Putnam has also been criticised quite heavily. Critics have pointed to the fact that the statistical measures adopted by Putnam as evidence for the presence of social capital do not allow conclusions about the processes that are at work in forming social capital and that could explain the beneficial effects on individuals (Crossley, 2008). Other critics have pointed out the circularity of the social capital argument (Portes, 1998; Lichterman, 2006), which does not establish the direction of causality (i.e. does social capital generate wellbeing or the other way around?). Hollstein also notes that quantitative attempts to test the concept empirically have proven elusive(Hollstein, 2013). Lichterman argues that Putnam is oversimplifying social capital (Lichterman 2006) and finds the distinction between bonding and bridging social capital insufficient for describing how voluntary organisations may contribute to social capital (ibid, 538).

Others have argued that Putnam's notion of social capital is missing a political dimension and have introduced the concept of linking social capital (Szreter, 2002; Woolcock, 1999). Szreter describes this as a combination of two forms of bridging social capital: empowering poor people to participate in bridging social capital and inducing the rich and powerful to bridge with the rest (Szreter, 2002). Szreter refers to Woolcock's concept of linking capital as "relationships of exchange, which are established between parties who know themselves not only to be unalike, as in the case of bridging social capital, but furthermore to be unequal in their power and their access to resources, as is often the case in development work, where a range of 'external' agencies interact with relatively poor societies and communities" (Szreter, 2002, p.579). Linking social capital in this sense is thus a form of brokerage and makes the concept of social capital "available to analyse and critique the kind of relationships that can form across the somewhat artificial state-civil society divide; and also across the various other supposed dichotomies of 'public : private,' 'state : market,' 'formal : informal,' and 'rich : poor'" (Szreter, 2002, p.581).

## Coleman

James Coleman (1926-1995) was the American sociologist who is considered to have coined the term "social capital". Unlike Putnam, Coleman is not concerned with trying to prove the existence of social capital in entire communities or even countries through statistical measures such as number of people who volunteer or number of civic associations. Instead, he is more interested in exploring how individuals' behavioural choices may be influenced by the structural characteristics of social networks. Coleman argues that sociological and economic explanations of social action are inadequate and proposes a third way (Coleman 1988, S96).

According to Coleman, sociological approaches are overly concerned with context at the expense of agency and economic approaches overly concerned with self-interested rational action at the expense of context and social organisation (Coleman 1988, S96). His approach suggests importing "the economists' principle of rational action for use in the analysis of social systems proper" (Coleman 1988, S97) and seeing individuals as actors who have control over and interest in resources, of which social capital is one (Coleman 1988, S98).

Social capital, in Coleman's definition "inheres in the structure of relations between actors and among actors … not lodged in the actors themselves or in physical implements of production" (Coleman 1988, S98). As such it is defined by its function, similar to a chair being defined by its function, and is specific to certain activities, rather than being transferrable. It is neither good nor bad, helps in achieving certain aims and is the most intangible form of capital, compared to physical and human capital (Coleman 1988, S98). Coleman also emphasises the fact that social capital has a public good aspect that sets it apart from physical and human capital, which are private goods (Coleman 1988, S116).

## Network structure

The structure of social relations that social capital inheres in can be captured in the idea of social networks, that is, the web of relationships between individuals in a given population. Forms of social capital such as obligation, trust, information channels, norms and sanctions are facilitated by social network structure. For example, network density or closure, which is typical for social networks where A is connected to B and C, as well as B and C being connected to each other helps with creating trust and effective norms (Coleman 1988, S105). This is similar to Putnam's generalised reciprocity, which is created through "thin trust". Multiplexity in networks, i.e. actors knowing each other in more than one context, can facilitate what Coleman calls "appropriable social organisation" or the benefits of relationships from one context being appropriated for use in another (Coleman 1988, S109).

## Social capital as a public good

However, because Coleman essentially argues from an economic perspective, where rational actors choose to invest in certain courses of action above others, he sees social capital as a by-product of other, more intentional, activities. By definition, social capital is competing for actors' attention with other, presumably more lucrative, forms of capital whose benefits accrue directly and exclusively to the individual who invests in them. In Coleman's example, stay-at-home mothers who are active in a Parent Teacher Association might opt out of their engagement to take up paid employment instead. Although their engagement has benefited the school overall, including parents, teachers and children who are not directly involved, the direct and exclusive benefit the activists themselves receive may not be able to compete with the financial benefits of working. In other words, Coleman assumes that rational actors act for egoistic, not altruistic reasons and this becomes quite explicit when he talks about trust: "An actor choosing to keep trust or not (or choosing whether to devote resources to an attempt to keep trust) is doing so on the basis of costs and benefits he himself will experience. That his trustworthiness will facilitate others' actions or that his lack of trustworthiness will inhibit others' actions does not enter into his decision." (Coleman 1988, S117). It is unclear whether this argument simply does not take altruism into account or if altruistic motivations would be seen as just another element of the individual actor's cost-benefit analysis when weighing different courses of action.

What seems clear from Coleman, however, is that individuals often prioritise other forms of capital, leading to an underinvestment in social capital. Where social capital occurs it is accidental, rather than a result of individuals consciously setting out to create it (e.g. acquiring information for one's own benefit also makes one a good source of information for others, but

the main motivation for acquiring the information in the first place is about reaping the individual benefit).

## Bourdieu

Pierre Bourdieu was a French sociologist (1930-2002) who is still very influential in the discipline of sociology. Bourdieu's version of social capital does not criticise the assumption that, ultimately, all forms of social behaviour have economic implications. But he criticises the concept of capital as it is used in economics, which reduces social exchange relations between actors to those that involve the exchange of goods for money. According to Bourdieu, this makes areas that are outside of this narrowly monetary discourse appear as "sacrosanct" and untouched by economic capital. By contrast, his analysis of economic, cultural and social capital shows that cultural and social capital are both dependent on economic capital and can, under certain circumstances be transformed into monetary value. Consequently, the areas that are supposedly untouched by monetary concerns are in fact heavily influenced by them. Therefore, social capital as conceived of by Bourdieu is not an antidote against the primacy of economic principles in human interaction but an extension of these principles to non-monetary forms of interaction and exchange.

Bourdieu defines social capital as "resources that are based on membership in a group" (Bourdieu, 1983, p.191). The amount of social capital a person has depends not only on the size of this person's network, but also on the extent to which network members have access to forms of capital. That is, it is not sufficient to have many friends, unless these do offer a conduit for accessing forms of capital. Social networks do not exist naturally, but require ongoing work through material and symbolic exchange relations. Individual and collective investment decisions prioritise certain relations over others, in view of future benefit. And because this requires time and money, the ability to do this is in turn dependent on economic capital. Institutionalisation is also involved, in the sense that naturally-occurring relations are transformed into necessary relations with the concomitant obligations (Bourdieu, 1983). The formation of social capital is thus an intentional process in itself, which is driven by aspirations to personal gain – a notion that stands in stark contrast to Coleman's notion of social capital's public good nature and his assertion that happens as a side effect of other, more individually-driven decisions.

However, importantly, as Portes (1998) emphasises, while Bourdieu's social capital itself is dependent on economic capital, the processes involved in the formation of social capital are radically different from the processes involved in economic exchange, because they are characterised by "less transparency and more uncertainty … by unspecified obligations, uncertain time horizons, and the possible violation of reciprocity expectations" (Portes, 1998, p.4). It might be this lack of transparency that is ultimately to blame for the popular notion that social relationships are a form of capital that is even accessible to those who are poor in monetary terms.

## Habitus

Bourdieu's concept of habitus casts additional light on the reasons why structural characteristics of society, such as class, keep their importance, even in the world of social capital with its apparent independence from actors' economic standing in society.
Habitus is "the product of internalization of the division into social classes" (Gieseking, 2014, p.139). Habitus is created over time by the interplay of actors' free will and the structural constraints they encounter. Shaped by past events and perceptions it influences current practices and structures, as well as actors' perceptions of these. Habitus is "a socially constituted system of cognitive and motivating structures" (Bourdieu, 1977, p.76) that produces certain behavioural patterns and the norms or tendencies underpinning this behaviour. These behavioural patterns and norms have thus been shaped by actors' past

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experiences of the material conditions of existence over many years and, in turn, shape present and future actions. They determine what seems appropriate and normal in any given setting and as such amount to a system of behavioural patterns that transcend individual behaviour and "reproduce" the existing social order, rather than questioning it.

A key characteristic of habitus is the fact that individuals are largely unconscious of it. To those who are engaged in them, these behavioural patterns seem completely natural and self-evident. As such, they equip individuals with the ability to cope with ever changing situations, based on knowledge of previous situations. Bourdieu argues that as much as our actions appear to be motivated by considerations about the future, they are actually, via habitus, "determined by the past conditions which have produced the principle of their production" (Bourdieu, 1977, p.72). As a result, human behaviour is ultimately engaged in reproducing the existing social order. It is neither properly understood as mechanistic, nor as guided by individuals' free will. Bourdieu also asserts that relationships between individuals are never strictly speaking "individual-to-individual relationships and that the truth of the interaction is never entirely contained in the interaction" itself (Bourdieu, 1977, p.81). Rather, the relationship consists of the actual situation in which individuals interact, plus individuals' "present and past positions in the social structure that … [they] carry with them , at all times and in all places, in the form of dispositions which are so many marks of social position and hence of the social distance … between social persons conjuncturally brought together" ((Bourdieu, 1977, p.82).

Because habitus determines everything individuals and collectives do, it is also significant for the development of social capital. Even relationship types that seem to transcend these structural divisions between people are ultimately based on them. Bourdieu gives the example of sympathy, friendship or love, which he says "are dominated … through the harmony of habitus … more precisely, the harmony of ethos and tastes … by the objective structure of the relations between social conditions. The illusion of mutual election or predestination arises from ignorance of the social conditions for the harmony of aesthetic tastes or ethical leanings, which is thereby perceived as evidence of the ineffable affinities which spring from it" (Bourdieu, 1977, p.82). In other words, what makes individuals connect in friendship are thus the very patterns of behaviour and norms that have been produced by habitus and therefore are an expression of individuals' position in society. Therefore, rather than transcending class differences, friendship patterns reproduce them.

Based on this the area of social capital is not an area where the social constraints prevalent in society at large are not relevant, but where these constraints express themselves in a different form. Using the example of life-styles Bourdieu describes how economic capital and power are transformed into symbolic capital: "Life-styles are thus the systematic products of habitus … sign systems that are socially qualified (as 'distinguished', 'vulgar' etc.). The dialectic of conditions and habitus is the basis of an alchemy which transforms the distribution of capital, the balance-sheet of a power relation, into a system of perceived differences, distinctive properties, that is, a distribution of symbolic capital" (Gieseking, 2014, p.140). Stocks of symbolic capital are likely to influence one's relations to other people, hence having an impact on social capital.

# Bridging and bonding and the dark side of social capital

Although according to Portes, there is a broad consensus "that social capital stands for the ability of actors to secure benefits by virtue of membership in social networks or other social structures" (Portes, 1998, p.6), there is much debate about such issues as how to evidence social capital, the potential benefits of social capital and which types of social capital are most

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beneficial in what circumstances. One of the most prevalent debates relates to the question of the value of social capital itself. Is it, as Putnam would claim that any type of social relations are better than no social relations, or is it as Bourdieu holds, that social relations are only beneficial if they connect us to people who have access to resources?

It is widely acknowledged, for example, that disadvantaged communities often have higher levels of bonding social capital, but lower levels of bridging social capital. That is, they are rich in regular face-to-face relations, which inspire a level of trust that facilitates mutual support and reciprocity. However, questions have been raised about the long-term benefit of such relations. While they may be useful for "getting by", they may be less so for "getting ahead" (de Souza Briggs, 1998, p.178). There are concerns about whether the insularity of such relations is simply ineffective in helping individuals to improve their situation, or if it actually hampers or discourages such attempts altogether. Therefore, being part of networks that are mainly characterised by high levels of trust and the existence of certain norms can actually have adverse effects on individuals' social mobility, health and wellbeing. This is often called the "dark side" of social capital and, at the extreme end of the spectrum the mafia and religious cults are cited as examples of bonding social capital.

Thus, whether social capital is beneficial and in what respects, clearly depends both on the type of social capital and on the context within which it is formed.

For example, it has been highlighted that bridging social capital can be particularly effective when it comes to finding employment, because bridging ties are good for the acquisition of new information. A famous advocate of this line of reasoning is Mark Granovetter who coined the expression "the strength of weak ties", which referred to the usefulness of bridging social capital in individual attempts to find jobs. Nevertheless, this is not as straightforward as it appears and others have argued that ties can be weak and strong in different ways, which potentially all lead to different outcomes. For example Harris shows that strong ties can be significant for obtaining certain jobs as much as weak ties, but in different ways (Harris, 1987).

Therefore, the apparent simplicity of social capital as a concept is deceptive and the policy emphasis on social connectedness as a positive phenomenon masks the fact that different types of social capital do different things for different people and in different contexts. There is also reason to believe that distinguishing bonding, bridging and linking capital may not be sufficient to grasp the way social capital works in individuals' lived reality.

# Practical implications

The review of the three main versions of social capital raise important tensions that show the contested nature of the concept. These concern the following:

- Is social capital a property of individuals or of communities, an individual or a public good?
- Is individuals' acquisition of social capital motivated by self-interest, or is it something that happens as a by-product or despite of actors' self-interested choices?
- To what extent is social capital a product of the existing social structure and the distribution of economic capital within it – does it allow individuals to transcend the social structure or merely to reproduce it?
- Is social capital a tangible thing (i.e. Putnam's civic organisations) or a process?
- What counts as evidence of social capital?

According to Lichterman (2006), Putnam's concept of social capital is fundamentally a quantitative translation of Tocqueville's ideas about the sorts of social relations that lay the

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foundation of a functioning democracy. Putnam's concept is heavily infused with the notion of civic engagement as an activity that furthers general reciprocity, which is in turn seen as necessary for citizens to be able to perceive themselves as part of a larger society and become more active participants in democratic processes of decisionmaking. Social capital for Putnam is located in geographic communities, is largely based on face-to-face relations and on citizens doing things together on a regular basis. It is because of this political dimension that Putnam appears to value relationships that are embedded in formal participation (i.e. membership in civic organisations) more highly than those that are characterised by informal links, such as friendship. And although he acknowledges the fact that both bonding and bridging capital are important for different reasons, the political dimension of his argument leads to a stronger endorsement of bridging capital, because of its ability to bring about generalised reciprocity.

Putnam's social capital concept therefore is ultimately about citizenship and the aim of *Bowling Alone* is to make an argument that will appeal to policymakers. Because Putnam sets out to prove that there is a decline of social capital in order to suggest ways of reversing this decline, it makes sense that his argument is made using a quantitative approach. This means that he uses a set of indicators to prove or disprove the presence of social capital and as a result social capital seems more like an object, rather than a process, a fact that critics like Crossley (2008) have pointed out. Although Putnam realises that social capital is something that is generated by social networks and therefore processes, his quantitative approach of measuring social capital via indicators gives the impression that social capital is being reduced to a thing. As is so common in purely quantitative approaches, the numbers only point out what is there but not how it came about and why.

In Coleman, on the other hand, it is very clear that social capital is the furthest thing from a tangible object, but resides in the relationships themselves. Where Putnam locates social capital in social networks that are face-to-face, local and centred on civic activity in the broadest sense, Coleman's concept of social capital can surface anywhere, as the examples in his 1988 paper show (Coleman, 1988). This is because social capital in Coleman's view is versatile and serves functions, both narrowly individual and broader societal ones. Although Coleman, other than Putnam, emphasises that social capital is intangible and quite elusive, he does propose a way of making it visible or at least making visible the processes that generate it. He does this by focussing on the impact of social network structure on individual actors' decisions.

Although in Coleman there is a rational actor making decisions, therefore recognising individual agency, this does not mean that social capital only serves narrow individualistic goals. To the contrary, social capital is primarily a public good, with the benefit that actually accrues to the individual actor being limited. As a result, Coleman sees it as unlikely that rational actors will consciously engage in certain behaviours to build social capital, unless their own egoistic goals are facilitated by this.

On the surface, the idea of the rational actor making investment decisions based on egoism seems relatively similar to Bourdieu's notion of social capital as being something that requires an ongoing investment by the individual in view of the possibility of reaping future dividends. Both authors see the investment in social capital as fundamentally economic decisions made by rational actors. However, the difference between the two is that for Coleman the benefit is mainly a public good, whereas for Bourdieu the benefit seems to be much more exclusive to the actors directly involved. For Bourdieu's rational actors, social capital, or the fact that they have invested time and money into membership of a social group, becomes part of their individual stock of capital. In that sense, the benefits of social capital accrue to the individual itself, rather than being a public good. Hence, for Bourdieu's rational actor it makes perfect sense to consciously invest in relationships, because these promise individual benefit at some point. For Coleman's rational actor, investment in social capital itself is trumped by other

considerations, because social capital itself produces only limited benefit to the individual who engages in its production.

Another difference between Bourdieu and Coleman concerns the issue of power and class. For Bourdieu the social capital that accrues to the individual actor depends on the number of actors in the network and the degree of their wealth in forms of capital. For Coleman, the social capital inherent in social networks is about the structural characteristics of the network, e.g. in which ways different network members are connected to each other. Thus, Coleman's social capital is independent of class, whereas Bourdieu's is not.

According to Portes Bourdieu's conception of social capital is "the most theoretically refined" (1998), whereas Coleman's and Putnam's approaches have been marred by the conflation of social capital with the resources acquired through it. Portes concludes that "a systematic treatment of the concept must distinguish among: (a) the possessors of social capital (those making claims); (b) the sources of social capital (those agreeing on those demands); (c) the resources themselves" (Portes, 1998, p.6).

The following table summarises the strengths and weaknesses of the three concepts.

Table 1: Strengths and weaknesses

|  | Strengths | Weaknesses |
|---|---|---|
| Putnam | Direct application to the voluntary sector and focus on local communities with a definition of social capital that privileges civic engagement. | Reliance on statistics; no attention to how the formation of social capital actually happens and to the nuanced nature of civic engagement (i.e. definition of membership and organisations). Insufficient considerations of structural factors, e.g. class, ethnicity, gender Social capital as a "thing" |
| Coleman | Combination of structure and agency Illuminates how rational individual choices are determined by the structural features of their social networks (=mechanisms?) Concept of appropriable social organisation may be useful for studying the voluntary sector Generic definition of social capital is more flexible Social capital as a process Attempt to capture the intangible nature of social capital. | Social capital as a by-product of rational action based on egoism. Where is altruism in this? Is an essentially economic interpretation suitable for studying the voluntary sector? |

| Bourdieu | Highlights connections between social capital and other forms of capital/the class structure of society.

Focusses on the investment over time that individuals make in social networks in order to reap the benefit later (transforming natural into necessary relations). | Too focused on individual benefit from social capital, rather than seeing it as something that is inherent in the relationship itself. |
|---|---|---|

# Use of social capital in research

There is a burgeoning literature on social capital and the overview below is not intended to be comprehensive, but aims to give some examples how this concept might be applied in voluntary sector research. As the table below shows, those articles that have been reviewed largely adopt Putnam's concept, but the second-most popular approach is Coleman's. Finally, there are two papers that do not mention social capital explicitly, but whose content can be understood in social capital terms.

Table 2: Social capital approach used in reviewed literature

| Authors | Putnam | Coleman | Bourdieu |
|---|---|---|---|
| Agger and Jensen | X | | |
| Cattell | X | X | |
| Conolly | X | | |
| Crossley | | X | |
| Firth | X | | |
| Gardner | | | |
| Hafsi | | | |
| Hampton | X | X | |
| Hollstein | X | | |
| Lichterman | X | | |
| McGovern | | | X |
| Milligan and Fyfe | X | | |
| Morrow | X | | |

### The role of intermediaries

Agger and Jensen (2015) take social capital as defined by Putnam as a starting point but note that Putnam has been criticised for the absence of a statutory dimension, which has caused Szreter (2002) to introduce the notion of linking capital. Although there have been numerous studies of urban regeneration that have looked at bonding and bridging capital and thus "horizontal relations", only a few have looked at "vertical relations" between those with differing levels of power. In their paper, they use data collected about Danish regeneration initiatives to argue that bonding and bridging capital are a precondition for linking capital. In urban deprived neighbourhoods where there may be much bonding social capital and varying levels of bridging capital, urban regeneration organisations have the potential to provide linking capital. However, Agger and Jensen emphasise that in order to provide linking capital, the area-based initiatives (ABI) that they studied had to begin by building bonding and bridging social capital first, which they did through creating networks of likeminded people and linking up existing

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local networks, often through 'third spaces' because "it is easier to 'reach out' if citizens are based in a supportive network where they feel safe". Therefore, the ABIs served as intermediary institutions between neighbourhood-based actors and between these actors and local government (Agger and Jensen, 2015, p.2055).

This is similar to the function played by Centraide, the Canadian philanthropic non-profit whose relationship to the external environment is analysed by Hafsi and Thomas (2005). Although the authors never explicitly mention social capital, Putnam's notion of bonding and bridging capital, as well of Agger and Jensen's idea of acting as an intermediary is implied.
Hafsi and Thomas are concerned with the difficult balancing act an organisation that is dependent on its external environment has to perform, but they take issue with the accepted theory that organisations' viability is furthered by their ability to stay independent from their external environment. This idea of an organisation staying independent of the external environment could perhaps be seen as the dominance of an approach based on bonding social capital.

The authors compare two periods of change in the history of Centraide, firstly, one that was driven by the desire for autonomy and, secondly, one that was socially driven. During the first period, the organisation was trying to cement its monopoly position and positioned itself as an expert for addressing community problems. Because strategic decisions were made by the president and a few devoted staff, stakeholders increasingly became disgruntled, because their views were not sufficiently taken into account, and the period ended with the dismissal of the organisation's president by the board. The new president adopted a "modest and non-threatening" stance and inaugurated a period of change that was guided by engagement with stakeholders and taking their views on board. In social capital terms, Centraide had turned from an inward-looking organisation whose inner workings were controlled by a small cadre of staff members to one that adopted a partnership approach and thus invested more in bridging social capital.

As a result, the internal makeup of the organisation changed – with external funders being important stakeholders fundraising professionals in the organisation acquired a more visible profile compared to before – but the organisation's role in its external environment also changed. It became a broker and "the only table where everybody is willing to sit" (Hafsi and Thomas, 2005, p.341). Centraide was thus building bridging and linking social capital in the urban region where it operated and provided a 'third space' for others to come together.

## Third spaces

The notion of 'third spaces' is explored by Gardner (2011). Like Hafsi and Thomas, Gardner does not mention social capital, but the idea that such spaces encourage "natural relationships," rather than forced relationships (familial, agency workers, volunteers, paid staff) seems highly promising for studying community-based organisations' role in building social capital. Gardner talks about the social networks of individuals being complemented by a "natural neighbourhood network", which is shaped by encounters that take place in third spaces. Gardner also notes that natural relationships are more naturally shared among age groups, which seems to imply that they can be considered bridging capital. 'Natural relationships' brings to mind Bourdieu's idea that institutionalisation of social capital involves transforming naturally occurring relationships into "necessary relationships" (Bourdieu, 1983, p.192).

One in-depth study of third spaces is that of community gardens by Firth et al. (2011). They see the ability to act as a third space as one of four ways in which community gardens build social capital. The authors find Putnam's concept of social capital useful in providing a framework for studying how community gardens function and what types of communities are formed in and around the garden. They echo Putnam's assertion that bonding and bridging

capital co-exist, but their comparison of place-based with interest-based community garden schemes suggests that place-based notions of community garden create social capital that is more likely to benefit the community around it, rather than just the people directly involved (Firth et al., 2011).

Importantly, Firth et al. also conclude that "community gardens are a consequence and a source of social capital" (p.564), perhaps emphasising the circularity of the social capital argument that has been criticised by many (e.g. Portes 1998).

## Methodologies

Cattell (Phillipson et al., 2004) also refers to this circularity in her study of two urban neighbourhoods in London. She concludes that "social capital theory is limited as an explanatory tool for uncovering the connections between wider structures and networks or norms, or for establishing the direction of relationships between norms and networks" (Phillipson et al., 2004, p.159). However, Cattell supplements social capital theory with a methodology that is based on analysing not only people's networks, but also their values and norms, and calls this "networks of experience approach"(Phillipson et al., 2004, p.157). Rather than only uncovering the various types of social capital (bonding, bridging or linking) and identifying their structural equivalents in individuals' social networks, Cattell's analysis incorporates values, identities and attitudes. This results in a much more nuanced view of social capital than either Putnam or Coleman are able to offer. The findings suggest that network size, the type of ties in the network (bonding vs. bridging, informal vs. formal), the resources available to network members, the physical space provided by the neighbourhood, as well as the existence of certain norms and a history all influence how beneficial social networks are for health.

A number of authors point out that Putnam's concept lacks nuance. Morrow (Phillipson et al., 2004) who studied young people's networks finds that focussing on social capital enables researchers to understand processes and practices rather than focussing just on the 'outcomes'. In her specific case, she consciously juxtaposes her study of young people to traditional studies that exclusively focus on the psychological importance of friendship for individual development, rather than accounting for it as a social practice. Despite this advantage of social capital as a concept, however, Morrow points out that for young people Putnam's operationalisation of social capital as membership in civic organisations is irrelevant (Phillipson et al., 2004).

Lichterman (2006) presents an interesting case for re-connecting social capital to its essentially qualitative Tocquevillian roots by introducing "group style" as a concept that highlights important differences among the types of organisations membership in which might have constituted social capital in Putnam's simplistic terms. Lichterman's "group style" is proposed to "unhitch Tocqueville from Putnam's social capital concept and choose an alternative concept that can do the work that social capital tries to do but cannot" (p.531). His main argument seems to be that in Putnam's operationalisation of the concepts elaborated by Tocqueville the meaning of these concepts is lost in translation. Therefore, the problem is not the concept itself but the methodology with which its presence is ascertained. Lichterman implies that the way policymakers use the indicators by Putnam is counter-productive because engagement in voluntary groups per se does not necessarily constitute a public good. Instead, group style and hence the "customs of group life" (Lichterman 2006, 563) influence whether engagement creates social capital that is true to the Tocquevillian vision. So, similar to Cattell (Phillipson et. al., 2004), Lichterman emphasises the role of norms and culture for the formation of social capital.

A similar argument is made by Milligan and Fyfe (2005), who conclude that the extent to which organisations provide an arena for active citizenship in the form of volunteering is associated with different organisational frameworks (Milligan and Fyfe 2005, p.423). The group style

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concept might be a promising one to use when looking at community-based organisations and their role in generating social capital. An added bonus is that the group style concept "saves us from reifying civic and 'state sectors' and assuming that whatever happens inside one sector must be inherently different, or more or less empowering, from what happens inside the other" (Lichterman 2006, p.562).

Crossley (2008) comments on the fact that most studies of social capital have focussed on political, charitable or business activities and introduces his study of social capital at a private health club as "corrective to the bias of much contemporary work" (Crossley 2008, p.476), but also as a way of shedding light on areas of social life that are not necessarily experiencing the decline outlined in *Bowling Alone*. He is also one of the few authors included here who draws on Coleman's focus on social capital as a function, rather than a thing and introduces this, along with social network analysis, as a way of illuminating which mechanisms explain the association of social capital and wellbeing (Crossley 2008). He also uses social network analysis (SNA) to illustrate both the often-noted "dark side of social capital" and the fact that co-location does not automatically mean network membership. Crossley also asserts that attention to the structural characteristics of networks is not sufficient to ascertain whether these result in social capital without taking into account the context in which these networks form (Crossley 2008).

McGovern is the only author in the body of literature reviewed here who draws on Bourdieu to analyse the internal dynamics of a voluntary organisation. She uses social capital, along with other forms of capital, as a "sensitising concept" to explain the power dynamics within the organisation. Here, social capital is an individual resource that group members have and that enables them to leverage power over other groups, whose accumulated stock of capital is not as high or not as readily transformable into money and therefore power.

# Conclusion

Social capital is a widely used concept in policy and in research. Although there is a broad consensus that it refers to benefits that accrue to individuals through membership in social networks, there is a diversity of approaches and concepts that flow from this and there is no consensus about which benefits are associated with different types of social capital, whether social capital is an individual or public good, whether it transcends or reproduces the existing social order and how it can be evidenced. There is, however, reason to believe that social capital should not automatically be seen as a positive phenomenon, but that its benefits largely depend on the context in which it is formed and used.

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