

Rules, precedents, and procedures

An aspect of the structural dimension of social capital

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Abstract

This paper explores the role of rules, precedents, and procedures within the structural dimension of social capital. Rules are crucial to social structures and are often interconnected with roles and other aspects of group or institutional organisation. They play a vital role in shaping various aspects of social capital, including norms, trust, belonging, and shared understandings. Rules can be formal or informal, tangible yet often unspoken and tacit. They are instrumental in facilitating the functioning of social structures by establishing decision-making processes, resource mobilisation mechanisms, and guidelines for collective action. The existence of rules, alongside other structural elements, is essential for productive and sustained interactions among individuals. Unlike many other aspects of social capital, rules are more observable and reinforced through sanctions and incentives. However, their effectiveness ultimately depends on cognitive processes like mutual expectations and shared understandings. Rules are not only a manifestation of shared understandings but also significantly shape them. The nature of rule enforcement, monitoring, and sanctions has implications for solidarity, trust, and shared goals. How rules are perceived and interpreted by actors, particularly in terms of fairness, equity, and efficacy, carries significant meaning and influence in the lifeworld of individuals. Understanding the dynamics of rules within the structural dimension of social capital sheds light on their role in fostering social cohesion, trust, and collective action.

Introduction

Rules, precedents, and procedures are commonly mentioned as an element of the structural dimension of social capital. The other dimensions of social capital are the relational and cognitive dimensions. This conceptualisation, distinguishing between structural, relational, and cognitive dimensions, is one of the major approaches to social capital. This approach was systematically explored and elucidated by Nahapiet & Ghoshal (1998), building on Granovetter's (1992) discussion of structural and relational embeddedness.

Rules are an important aspect of social structure that tend to be associated with roles and other aspects of group or institutional structure. Rules, and how they are enforced, can have implications for various aspects of social capital, such as norms, trust, belonging, and shared understandings. Rules can be formal or informal and tend to be more tangible than norms and traditions but are often unspoken and tacit.

Rules are important for the functioning of social structures. Without roles and rules for decision-making and resource mobilisation, collective action becomes

more difficult and thus less likely (Uphoff, 1999). Patterns of collective action are constituted and sustained by a large array of rules that are crafted, monitored, and enforced to establish productive working relationships with one another (Evans, 1996).

Rules, and other structural aspects, tend to be easier to observe than many other aspects of social capital since they are reinforced by sanctions and by incentives. Despite their objective nature, rules ultimately depend on cognitive processes such as mutual expectations and other shared understandings for their effectiveness (Uphoff, 1999). Therefore, they could be considered a manifestation of shared understandings, but they also powerfully shape the nature of shared understandings. Rules are a strong signal of what is and is not appropriate so have a strong influence on the lifeworld of actors.

How rules are sanctioned, monitored, and enforced tends to have implications for solidarity, trust, and shared goals. The nature of rules, and how they are enforced, can carry significant interpreted meaning for actors, such as related to fairness, equity, and efficacy.

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