

INSTITUTE for
SOCIAL CAPITAL

Understanding social capital

Tristan Claridge
Institute for Social Capital

39

INSTITUTE for
SOCIAL CAPITAL

Overview

- Problems with defining social capital
- Common definitions
- Common themes in popular definitions
- Getting clear about different conceptual approaches
- The differences between approaches
- Selecting a conceptual approach to social capital

40

INSTITUTE for
SOCIAL CAPITAL

Problem of definition

- The enormous variety of definitions can result in confusion, disagreement, and contradiction
 - This has damaged the integrity of the concept and undoubtedly led to the proliferation of poor scholarship (Fine 2002)
- Caused by
 - Different epistemological and ontological foundations and different methodological requirements
 - Complexity of the concept that can be considered at different levels of analysis and can be applied to immensely different contexts and outcomes
 - Need for measurement - defined to support straightforward empirical inquiry

41

INSTITUTE for
SOCIAL CAPITAL

Problem of definition

- Because of the difficulties in defining social capital, authors tend to:
 - Discuss the concept and its intellectual origin
 - Discuss its diversity of applications
 - Discuss its unresolved issues
 - Identify examples of social capital
 - Provide one or more definition (often from contemporary authors)
 - Sometimes adopt a school of thought and definition
 - Sometimes add their own definition (often a narrower or context specific variation of an existing definition)
 - Sometimes not identify the adopted definition

42

INSTITUTE for
SOCIAL CAPITAL

Authors cited for definitions of social capital

Robert Putnam	73
Pierre Bourdieu	53
James Coleman	30
Nahapiet and Ghoshal	19
Nan Lin	18
Alejandro Portes	13
Ichiro Kawachi	11
Michael Woolcock	5
76 other authors cited < 5 times	88
Not clearly defined	25
Own definition or not cited	21

n = 356

Based on a survey of 250 peer-reviewed journal articles published after January 2019

43

INSTITUTE for
SOCIAL CAPITAL


Robert Putnam 21%

“features of social organization such as networks, norms and social trust that can facilitate coordination and cooperation for mutual benefit”

(Putnam, 1993: p35)


Source: <https://www.fhs.harvard.edu/faculty/robert-d-putnam>

44

INSTITUTE for SOCIAL CAPITAL 


James Coleman 8%

"...defined by its function. It is not a single entity but a variety of different entities, with two elements in common: they all consist of some aspect of social structures, and they facilitate certain actions of actors... within the structure."
(Coleman, 1988: p598)




Source: https://en.wikipedia.org/wiki/James_Coleman

45

INSTITUTE for SOCIAL CAPITAL 

Pierre Bourdieu 15%



"the aggregate of the actual and potential resources which are linked to possession of a durable network of more or less institutionalized relationships of mutual acquaintance and recognition"
(Bourdieu, 1986: p248-249)



Source: https://en.wikipedia.org/wiki/Pierre_Bourdieu


Janine Nahapiet and Sumantra Ghoshal 5%

"the sum of the actual and potential resources embedded within, available through, and derived from the relationships possessed by an individual or social unit"
(Nahapiet and Ghoshal, 1998: p.243)


Source: <https://www.scribd.com/document/243237720/Social-Capital>
Source: <https://www.researchgate.net/publication/228421447>

46

INSTITUTE for SOCIAL CAPITAL 

Nan Lin 5%


"resources embedded in one's social networks, resources that can be accessed or mobilized through ties in the networks"
(Lin, 2001: p73)



Source: <https://scholarship.lsa.umich.edu/person/167611>


Alejandro Portes 4%

"the ability of actors to secure benefits by virtue of membership in social networks or other social structures"
(Portes, 1998: p6)




Source: <https://sociology.princeton.edu/people/alejandro-portes-phd/>

47

INSTITUTE for SOCIAL CAPITAL 

Francis Fukuyama <1%


"an instantiated informal norm that promotes cooperation between two or more individuals"
(Fukuyama, 1999, p.1)




Source: <https://ocw.mit.edu/courses/18.034-social-psychology-and-personality/>

World Bank <1%

"the institutions, relationships, and norms that shape the quality and quantity of a society's social interactions"
(World Bank, 1999)




48

INSTITUTE for SOCIAL CAPITAL 



OECD <1%

"networks together with shared norms, values and understandings that facilitate co-operation within or among groups"
(Cote and Healy, 2001, p.41)




Bowles & Gintis <1%

"trust, concern for one's associates, a willingness to live by the norms of one's community and to punish those who do not"
(Bowles and Gintis, 2002)

Source: https://en.wikipedia.org/wiki/John_Bowles
Source: https://en.wikipedia.org/wiki/Elinor_Ostrom

49

INSTITUTE for SOCIAL CAPITAL 

Other definitions *The Google Scholar citations is the "cited by" number on Google Scholar as of 14 January 2020

Definition	Citations*
"the institutions, relationships, attitudes and values governing interactions amongst people" (Iyer, Kitson, & Toh, 2005 p.1016)	379
"the networks, norms, relationships, values and informal sanctions that shape the quantity and co-operative quality of a society's social interactions" (Aldridge, Halpern, & Fitzpatrick, 2002 p.5)	330
"potential willingness of citizens to cooperate with each other and to engage in civic endeavors collectively" (Stolle, 2003 p.19)	309
"understood broadly as those structural, relational and cognitive features of social interaction that facilitate coordinated action and collective learning" (Staber, 2007 p.505)	111
"the many resources derived from the social interaction between individuals and groups" (Reyes, Giovannoni, & Thomson, 2018 p.e01169)	2
"accumulation of various types of social, psychological, cultural, cognitive, institutional, and related assets that increase the amount (or probability) of mutually beneficial cooperative behavior" (Uphoff, 1999 p.216)	1282
"the application or exercise of social norms of reciprocity, trust and exchange for political or economic purposes" (Cooke, Clifton, & Oleaga, 2005 p.1066)	344
"the values and beliefs that citizens share in their everyday dealings and which give meaning and provide design for all sorts of rules" (Masael, 2000 p.111)	560
"the shared knowledge, understandings, norms, rules, and expectations about patterns of interactions that groups of individuals bring to a recurrent activity" (Ostrom 2000 p.176)	1122

50



51

- Common themes
- Social networks
 - Social structure or social organisation
 - Trust and trustworthiness
 - Shared norms and sanctions
 - Resources
 - Benefits
 - Cooperation

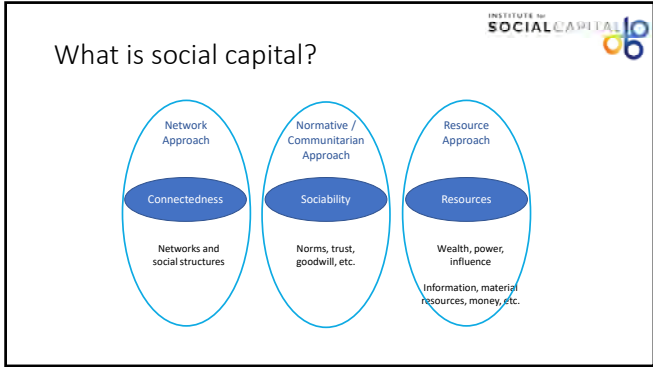
52

Different conceptual approaches

Woolcock & Narayan (2000)	Lee (2017)	Phillips (2016)	Fulkerson & Thompson (2008)
<ul style="list-style-type: none"> • Communitarian • Networks • Institutional • Synergy 	<ul style="list-style-type: none"> • Communitarian • Networks • Institutions 	<ul style="list-style-type: none"> • Infrastructural or structuralist • Culturalist 	<ul style="list-style-type: none"> • Normative • Resource

Attempts to categorise the conceptual approaches to social capital

53



54


Example of different perspectives - Social norms

Coleman's rational choice perspective	Putnam's democratic perspective	Bourdieu's Marxian perspective
Social norms are outcome-oriented conditional constraints that enable the efficient coordination and realisation of individual preferences and self-interests within a social structure.	Social norms do not function exclusively to facilitate the efficient realisation of individual preferences. They also foster reflexive social cooperation that enables the collective realisation of democratic ideals.	Social norms are primarily prereflective predisposes that shape individual and collective practices. Based on durable dispositions and ingrained orientations that enables and limits individual and collective practices with a particular context.
Involves universalising assumptions by ignoring non-outcome-based action.	Does not reduce social norms to rational norms, but rather it inflates them to universally positive norms.	Avoids reductionism and inflation, however, tends to emphasise the non-voluntary predispositional reproduction of human action.

55

- Network approaches
- The network approaches focus on the structure of networks
 - It is not a single approach but a variety of different but similar approaches
 - Network analysis involves mapping ties, identify configurations, analysing directionality or reciprocity, and attributing qualities to the social structure: density, multiplexity, segregation, holes, leadership, boundaries, and bridges
 - Tend to focus on bonding and bridging social capital associated with the network theories of structural holes and network closure (Adler and Kwon 2002)


56

INSTITUTE for
SOCIAL CAPITAL 

Resource approach

- The resource approach to social capital was essentially a rebranding of Social Resource Theory
- Nan Lin defined social resources as “the wealth, status, power, as well as the social ties, of those persons who are directly or indirectly linked to the individual” (Lin et al. 1981)
- However, other scholars have added other types of resources such as information, trust, and support (Shin 2021)


57

INSTITUTE for
SOCIAL CAPITAL 

Bourdieu’s approach

- Bourdieu’s social capital is part of a well-developed theoretical project
- Capital is not only economic and that social exchanges are not purely self-interested and need to encompass ‘capital and profit in all their forms’ (Bourdieu, 1986: 241)
- Bourdieu’s work emphasizes structural constraints and unequal access to institutional resources based on class, gender, and race and his approach is grounded in theories of social reproduction and symbolic power
- Substantiated by a rich set of sociological theories that embrace the complexity of the social environment rather than seeking simplification and reductionism
- Incompatible with the wide-ranging and superficial postures currently attached to mainstream approaches to social capital


58

INSTITUTE for
SOCIAL CAPITAL 

Normative approach

- Focuses on the normative social structural arrangements that result from actors working together for mutual benefit (Fulkerson & Thompson 2008)
- Norms that maintain and organise interactions between individuals
- Values and beliefs that share social interaction
- Focuses on culture and socialization and the internalization of norms and values


59

INSTITUTE for
SOCIAL CAPITAL 

Heterodox approaches

- There are hugely varied and vastly different approaches that do not fit into the categories identified
- They tend to be elusive and difficult to identify
- Examples include:
 - Adler & Kwon (2002) – goodwill available to individuals or groups
 - Robison et al. (2002) – sympathy toward another person or group
 - Kostova & Roth (2003) – psychological states, perceptions, and behavioural expectations

60

INSTITUTE for
SOCIAL CAPITAL 

What are the core elements?

“Trust, concern for one’s associates, a willingness to live by the norms of one’s community and to punish those who do not” (Bowles & Gintis, 2002)


“The values and beliefs that citizens share in their everyday dealings and which give meaning and provide design for all sorts of rules” (Maskell, 2000)

“The web of social relationships that influences individual behaviour and thereby affects economic growth” (Pennar, 1997)

“Social capital is defined by its function. It is not a single entity, but a variety of different entities having two characteristics in common: they all consist of social structure, and they facilitate certain actions of individuals who are within the structure” (Coleman, 1990)

“Social capital can be defined simply as the existence of a certain set of informal values or norms shared among members of a group that permit cooperation among them” (Fukuyama, 1995)

61

INSTITUTE for
SOCIAL CAPITAL 

What are the core elements?

“Those expectations for action within a collectivity that affect the economic goals and goal-seeking behaviour of its members, even if these expectations are not orientated toward the economic sphere” (Portes & Sensenbrenner, 1993)


“Features of social organization such as networks, norms and social trust that facilitate coordination and cooperation of mutual benefit” (Putnam, 1995)

“The set of elements of social structure that affects relations among people and is inputs or arguments of the production and/or utility function” (Schiff, 1992)

“The institutions, relationships, and norms that shape the quality and quantity of a society’s social interactions” (The World Bank, 1999)

62

What are the core elements?

INSTITUTE for SOCIAL CAPITAL 


"The potential value arising from certain **psychological states, perceptions, and behavioral expectations** that social actors form as a result of both their being part of social structures and the nature of their relationships in these structures" (Kostova & Roth, 2003)

"The **goodwill** available to individuals or groups. Its source lies in the structure and content of the actor's social relations. Its effects flow from information, influence, and solidarity it makes available to the actor" (Adler & Kwon, 2002)

"A person's or group's **sympathy** toward another person or group that may produce a potential benefit, advantage, and preferential treatment for another person or group of persons beyond that expected in an exchange relationship" (Robison et al., 2002)

63

What are the core elements?

INSTITUTE for SOCIAL CAPITAL 

Recurring themes such as:


- permitting or facilitating cooperation
- attitudes such as goodwill or sympathy
- psychological states, perceptions, and expectations for action

All of these represent a **predisposition** towards others that embodies a potential/ability/capacity

Are predispositions the 'form' of social capital, separate to the source and outcomes?

64

What are the core elements?

INSTITUTE for SOCIAL CAPITAL 

Social capital is 'capital' - it is productive, beneficial, important. It has potential/ability/capacity

Therefore, social capital is "something social" that has the potential/ability/capacity to produce outcomes that are productive, beneficial, important


There is a causal relationship between the "something social" and outcomes

SC as $x \rightarrow$ [causal relationship] $\rightarrow y$ [outcome] in t [context]


What is the "something social"? Form
 Where does it come from? Source
 What does it do? Outcomes

65

Separating the source, form, outcomes

INSTITUTE for SOCIAL CAPITAL 

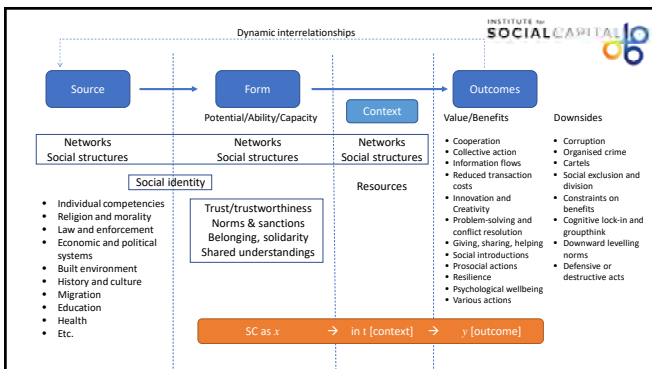
There are different perspectives in the literature about whether social capital is the resources flowing through networks or the network structure itself.



- Some authors regard social capital as the 'wires' (or social infrastructure)
- Others regard it as the 'electricity' (or social resources)
- Others consider it the 'conductivity' of the environment (or norms, trust, belonging, etc) that enables or facilitates the flow of benefits


Source: Sraeter and Woolcock (2004) proposed the 'wires' and 'electricity' analogy which I have extended to include the 'conductivity' of the enabling environment.

66



67

Causal relationship/s

INSTITUTE for SOCIAL CAPITAL 

Social relationships are important and beneficial

Social relationships have the potential/ability/capacity/power to create certain outcomes

Social relationships $\xrightarrow{\text{Causal relationship}}$ Certain outcomes, eg cooperation


Why?

One explanation:
 It is rational since it generally advances self-interest. Evidence from game theory supports this.

However, there are other explanations – e.g. norms, belonging, social identity, solidarity, morality, habituation, etc.

If we want social capital to correct for the shortcomings of economic theorising and "undersocialised" approaches we need to consider other action-theoretical foundations

78

INSTITUTE for SOCIAL CAPITAL 


Different human-action theoretical foundations

We can observe that a person returns a lost wallet.

This action may be:

- **Rational** – predicting a reward - consistent with deliberate calculation and a selfish motive
- **Normative** – the normal thing to do – consistent with a behaviour expectation and the threat of sanctions for deviation
- **Habitual** – the action fits the situation - consistent with a learned habit
- **Moral** – the right thing to do – consistent with a cultural or religious belief or value system
- **Sympathetic** – feels right – consistent with an emotional response to the situation

79

INSTITUTE for SOCIAL CAPITAL 

Universality

Dynamic interrelationships

Source → Form

Potential/Ability/Capacity

Networks Social structures

Networks Social structures

Social identity

Trust/trustworthiness
Norms & sanctions
Belonging, solidarity
Shared understandings

None of these things are universal.

For example, there are many norms and they are experienced differently from person to person, group to group.

Treating norms as a single entity universalises class, gender, ethnicity, and every other cleavage of society, and is incapable of understanding power, inequality, discrimination, etc.

- Individual competencies
- Religion and morality
- Law and enforcement
- Economic and political systems
- Built environment
- History and culture
- Migration
- Education
- Health
- Etc.

• Prosocial actions

• Resilience


• Psychological wellbeing

• Various actions

• Defensive or destructive acts

SC as x → in t [context] → y [outcome]

80

INSTITUTE for SOCIAL CAPITAL 

Summary

- Problems with defining social capital
- Common definitions
- Common themes in popular definitions
- Getting clear about different conceptual approaches
- The differences between approaches
- Selecting a conceptual approach to social capital

88