

# Criticisms of social capital theory

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# Overview

- Common approaches to deal with conceptual problems of social capital
- Social capital as a contested concept
- The wicked problem framework
- The criticisms of social capital as “wicked problems”

# Criticisms of social capital

- Social capital as a term and concept has been tarnished by widespread, uncritical, and inappropriate use
- The critical literature has grown in parallel with the empirical and theoretical literature on the concept
- Ben Fine claimed his criticisms, in summary form, “now seem to have been both recognised and accepted at a level of 99 per cent or more”  
(Fine, 2010, p.126)

## Social capital concept

- Social capital is powerfully intuitive and appealing for a variety of reasons
- The concept however involves numerous inconsistencies, incongruences, and paradoxes
- Hunter (2004) deployed the metaphor of social capital as Hydra
  - In Greek mythology, the Hydra 'had a prodigious dog-like body, and eight or nine snaky heads, one of them immortal'.



# Ben Fine's Criticisms of Social Capital

Ben Fine (2010:p125-6) claimed that “the following criticisms, in summary form, now seem to have been both recognised and accepted at a level of 99 percent or more. Social capital:

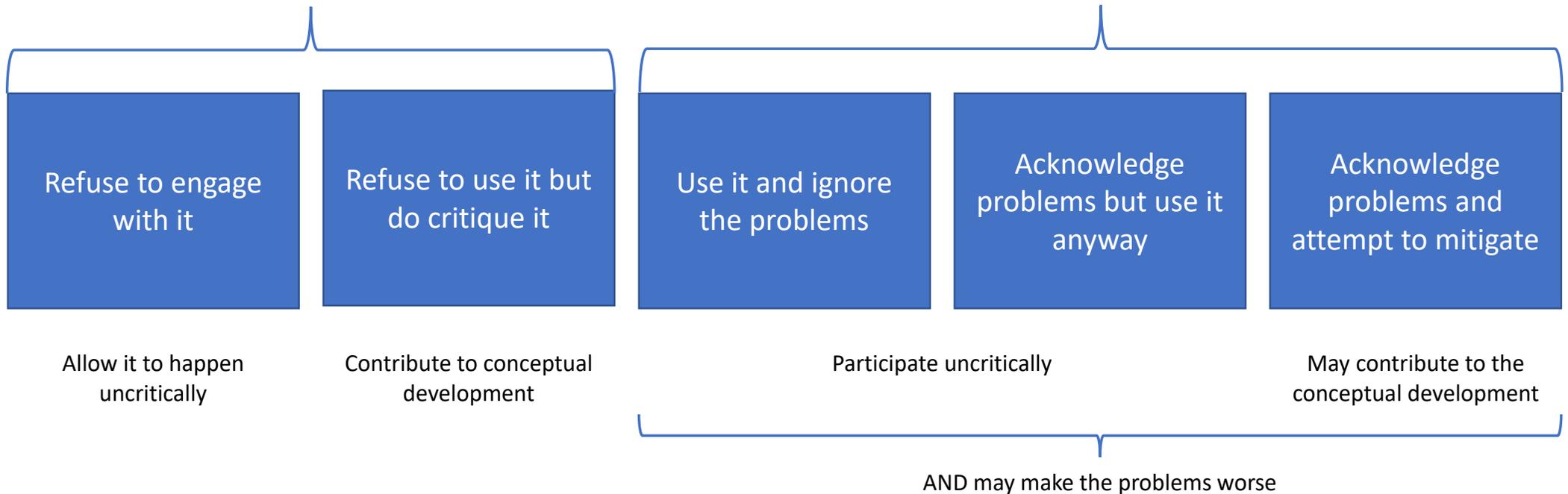
- is totally chaotic in definition, method and theory;
- is indiscriminately deployed across applications and can be more or less anything, in principle if not in practice;
- is parasitic on, and crudely simplifying of, other social theory;
- misunderstands both social and capital;
- is complicit with mainstream economics, ‘economics imperialism’, and rational choice theory;
- neglects the economic, power, conflict, the state, gender, race, class, ethnicity, global, context, etc.;
- is self-help raised from individual to community level;
- has discarded Bourdieu but is bringing him back in piecemeal, alongside other omitted factors;
- induces hack academia (‘hackademia’) in publication, research and funding;
- fails to address criticism other than incorporating it as another factor;
- is Third Wayism as weak response to neo-liberalism;
- has been heavily promoted by the World Bank as a rhetorical device associated with the shift from the Washington to the post-Washington Consensus;
- is a peculiar end-of-millennium product of the retreat from the dual extremes of postmodernism and neo-liberalism

(Fine, 2010, p.126)

## What do scholars do about the problems?

Scholars who do not use social capital empirically

Scholars who use social capital empirically



## Simple solutions ... 1. Expand the concept

- One solution is to add what is missing
- Scholars tend to add another variable or three (Fine 2010)
- This complicates further and generally solves few of the underlying problems

List of what is missing to bring back:

- Power and conflict
- The state
- Gender
- Race and ethnicity
- Class
- Inequality and discrimination
- etc

*“combining a series of fragments from different conceptual perspectives is itself unlikely to produce a consistent theoretical approach, but the actual theory building part of the social capital literature is minimal, with more of a “circus tent quality” (Haynes, 2014:p8-9)*

## Simple solutions ... 2. Simplify and reduce

- Another solution is to simplify or reduce the concept to a constituent part - this generally fails to solve conceptual problems
- This often involves more explicit grounding in methodological individualism and rational choice theory
- Social capital is used to focus attention on social processes typically overlooked by mainstream economic approaches
- Social capital is often used in response to “economic fundamentalism” or “economic imperialism”
- Embracing more economic ideologies and methodologies gives the concept limited value

## Social capital as a contested concept

- Woolcock (2010) suggested that social capital is an “essentially contested” concept
- This implies that many of the disputes, conflicts, and contradictions may never be resolved
- It may not be possible to reconcile the ontological foundations
- However, ignoring them causes many problems
  
- Should we accept social capital as “essentially contested”?

## Do we need to resolve the “contest”?

- Can we live with the contested nature of social capital theory and still “do good science”?
- In Kuhnian theory, the pre-paradigm phase involves diverse approaches and contests that help to develop rules of how research should be conducted (Kuhn, 1962)
- These rules tend to become clearly defined in the normal science phase (Fulkerson & Thompson, 2008)
- This suggests if social capital is to progress to normal science phase the problems must be reconciled

## Social capital theory as “wicked problems”

- Considering social capital a “contested concept” does little to motivate work to resolve the problems
- Is it useful to frame these issues as “wicked problems”?
- In 1973, Horst Rittel and Melvin Webber introduced the term “wicked problem” to draw attention to the complexities and challenges of addressing certain problems, particularly social problems.
- Wicked problems are not just tough or persistent – they are “wicked”.
- Wickedness is not a degree of difficulty. Wicked issues are different because traditional processes cannot resolve them.

## The “wicked problems” framework

- The conceptual and methodological problems of social capital do not really fit with the normal understanding of wicked problems
- However, there may be some value in considering them as such
- A wicked problem framework may allow us to think of these problems differently, acknowledging their complexity, but not rendering them as unresolvable

## Potential wicked problems

1. What is “it”? Separating what it is from what it does
2. Linked to action (or is it?)
3. Reality and rationality (ontology)
4. Tangible, Intangible, Transcendental
5. Positivity paradox
6. Circularity and tautology
7. Potentiality and contingency
8. Universality and fluidity (neglect of context)
9. Explanatory power (or lack of)

## 1. What is “it”? Separating what it is from what it does

*“Whether social capital is the infrastructure or the content of social relations, the ‘medium’, as it were, or the ‘message’. Is it both?” (Woolcock 1998:p156)*

- Social capital is easy to intuitively understand but difficult to define
- The simple question “What is social capital?” can be difficult to answer
- Some approaches focus on the benefits or ‘resources’ or outcomes
- Other approaches focus on the infrastructure such as networks (micro) or institutions (macro)
- Other approaches focus on beliefs, values, and dispositions such as norms and trust

*“the boundaries between [its parts] become blurred, with social capital reaching out to incorporate its determinants and consequences as part of itself” (Fine 2010:p206)*

## 1. What is “it”? Separating what it is from what it does

- Social capital is dynamic, reflecting the dynamic nature of society and human experience
- Untangling the causes, effects, correlations, and conjunctions of social processes is a difficult task involving complex interdependencies (Haynes, 2014)
- Conflating norms and networks under the same conceptual umbrella makes it difficult to understand causal flows: does trust generate relationships, or do relationships generate trust? (Fox & Gershman 2000:p187)
- Another simple example:
  - Norms influence action and this action influences norms
- Generally, approaches that try to make social capital more tangible tend to complicate or confuse what it is from what it does

## 2. Linked to action (or is it?)

- Many definitions specifically refer to action or a type of action - such as collaboration, cooperation, or collective action
- But is action the outcome or the substance?
- Are norms only social capital if they relate to, or result in, action that is beneficial?
- Is it not social capital if it doesn't lead to action? Are actions the only outcomes of social capital?
- What about non-action benefits of sociability such as psychological benefits, for example inclusion, belonging, social support, etc

# Is social capital based on action?



## Human experience

- Values
- Beliefs
- Feelings
- Etc.

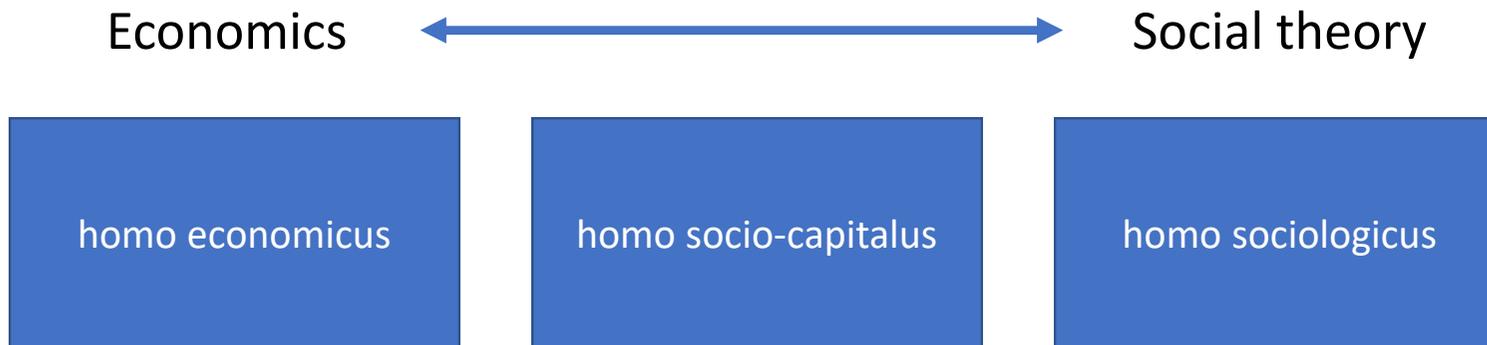


## Human action

- Cooperate
- Trust
- Share
- Give
- Help
- Etc.

### 3. Reality and rationality (ontology)

- Social capital is an integration of economics and sociology
- But how can the ontological foundations be reconciled?
- What is the theoretical concept of the individual and of experience and motivation?



*“Whilst the social capitalist is nowhere near as reduced as the homo economicus of the dismal science, it is striking how shallow and incoherent is homo socio-capitalus”  
(Fine, 2010:p158)*

### 3. Reality and rationality (ontology)

*“If social capital can be rational, pre-rational, or even non-rational, what is it not?” (Woolcock, 1998:p156)*

- Many scholars find Bourdieu’s rich sociological foundations appealing
- The individual in Bourdieu’s theory is socially situated, based on *habitus* – the way that individuals perceive the social world around them and react to it
- But, “those that appeal to Bourdieu explicitly often do so only partially and with distortion” (Fine, 2010)
- This is perhaps the biggest problem with social capital theory and underpins many of the other problems

## 4. Tangible, Intangible, Transcendental

- Relates to the question of what social capital is and the nature of individual experience and action
- Many approaches acknowledge the intangible nature of social capital but treat it as tangible or invent tangible proxies for its intangible nature
- There is a fundamental mismatch between its theory and the vast majority of empirical work that has explored various proxies for social capital (Gannon & Roberts, 2018)

## 5. Positivity paradox

*“Sociability cuts both ways... it can also lead to public ‘bads’” (Portes 1998:p16)*

- Social capital implies a positive character by the inclusion of the word “capital” and many authors specifically define social capital as positive
  - Robert Putnam talked about “mutual benefit” (Putnam, 2000 p67)
  - Nan Lin talked about “expected returns” (Lin, 2001 p30)
  - Various authors describe “resources” (for example Bourdieu, 1986; Kawachi & Berkman, 2000; Nahapiet & Ghoshal, 1998)
- The same aspects of social capital can have positive or negative outcomes depending on a range of factors (or some positive and some negative outcomes at the same time)

*“Social capital borders on the utopian in its vision of individuals, communities and politics.” (Fine, 2010:p200)*

## 6. Circularity and tautology

*“All of the predominant theories of social capital (i.e., those by Coleman, Bourdieu, and Putnam) are tautologies or can be argued to have tautological aspects.” (Gearin, 2017:p613)*

- Putnam’s conceptualisation confuses means and ends, thus employing social capital as both an explanatory variable for social cohesion and to describe the same phenomenon (Schuller et al. 2000:p10–29)
- Most authors claim that social capital leads to positive outcomes, such as economic development and less crime, and its existence is inferred from the same outcomes (Portes 1998:p16)
- Generally, the broader the concept the more likely to involve tautology
- Bourdieu acknowledged that his social capital did not operate according to functionalist logic; and he likely did not expect it to be used in quantitative analyses (Gearin, 2017)

## 7. Potentiality and contingency

- The outcomes of social capital “can” come about depending on a range of factors
- Potentiality is a characteristic of almost all approaches to social capital, although rarely acknowledged
- Many of the most commonly used definitions of social capital unambiguously identify the potential nature of outcomes
  - “investment in social relations with **expected returns**” (Lin, 2001 p30)
  - “the goodwill that is engendered by the fabric of social relations and that **can** be mobilized to facilitate action” (Adler & Kwon, 2002 p17)
  - “the aggregate of the actual or **potential resources** which are linked to possession of a durable network of more or less institutionalized relationships of mutual acquaintance and recognition” (Bourdieu, 1986 p21)
  - “features of social organization such as networks, norms, and social trust that **facilitate** coordination and cooperation for mutual benefit” (Putnam, 2000 p67)

## 7. Potentiality and contingency

- The existence of social capital does not necessarily result in the desired outcomes
- The same or very similar social capital can result in positive or negative outcomes depending on context
- It can be difficult to predict how different contexts will create different outcomes – due to the multiple causes, effects, correlations, and conjunctions of social processes
- Most authors agree that context is vitally important
- But it is common to proceed with empirical investigation completely ignoring this issue

## 8. Universality and fluidity (neglect of context)

*“Stripped of power relations and imbued with the assumption that social networks are win-win and that individual gains, interests, and profits are synonymous with group gains, interests, and profits” (DeFilippis 2001:p800)*

- Social capital theory generally applies universalising categories
- For example:
  - Networks but ignores power, race, ethnicity, gender, etc
  - Norms but ignores inclusion and exclusion, discrimination, etc
- The bonding/bridging distinction reduces the complexity of social processes by universalizing across the common divisions in social theory
- For example, weak ties are bridging social capital that provide the ability to “get ahead” – but this ignores context, power, race, culture, etc
- This makes it too easy to bypass or even disregard the underlying political, economic, and social systems that shape and reproduce inequality (Schafft and Brown 2003)

## 8. Universality and fluidity (neglect of context)

*Social capital “has taken on a circus-tent quality; all things positive and social can be piled underneath” (De Souza Briggs 1997:p111)*

- Social capital leaves questions unanswered and opens the door for criticism dealing with the one-size-fits-all nature of the theory (Portes 1998)
- Viewing civil society as having unified values and beliefs is naïve and all but nullifies issues of inequality, power, discrimination, etc (Graham, 2016)
- Social capital creates a “romantic naïve view of rural communities, where civic harmony and inclusion triumphs and there is little room for power struggles, exclusionary tactics by privileged groups, or ideological conflicts” (Shortall 2004:p110)
- Social capital is sufficiently fluid conceptually that it can take on any mantle (Fine, 2010)

## 8. Universality and fluidity (neglect of context)

- “Social capital is an attempt to have relations of trust, reciprocity, tolerance and mutual obligation without having to bother too much about the deeper cultural mooring points to which those relations are tied ... Social capital is thus an expression of cultural contradiction, an attempt to realise a particular social ethic but in a form that comprehensively undermines the deeper cultural grounds within which that ethic takes root” (Scanlon, 2004:pBB3)

## 9. Explanatory power (or lack of)

*“The social capital prism filters out more light than it lets through, in drawing simplistically upon basic categories of social analysis, stripped of their rich traditions and contested meanings” (Fine, 2010:p30)*

- Social capital is too amorphous in reducing the complexity of the social world to a single concept (Wuthnow 2002)
  - Social capital is a umbrella concept that brings in, and diminishes, various sociological phenomena
  - By including ‘everything’ it is not possible to give meaningful consideration of ‘anything’
  - An example is trust – expectation, interpretation and ‘suspension’
- The term serves to obfuscate meaning because social capital is ill-defined, and other terms would often be more appropriate

## 9. Explanatory power (or lack of)

*“by treating the concept as though it were a coherent whole and separated from the themes through which its meaning is derived, researchers will fail to explain how the specific mechanisms of trust, community, reciprocity, interpersonal relationships and networks impact on the features they are investigating.” (Haynes, 2014)*

- “Middle-range theory has the practical advantages of putting aside a deeper understanding ... It has the corresponding disadvantage of its results being entirely subject to the qualification of what has been omitted” (Fine 2010:p23)
- Without a theory of human experience we cannot explain *why*, all we can do is identify correlation, the mechanisms are a black box
- Correlational results simply mean that there is a black box factor at work, but we cannot distinguish between alternative explanations because there is no underlying theory to inform the development of plausible hypotheses (Herrmann-Pillath, 2010)

## 9. Explanatory power (or lack of)

- Consider the literature of homogeneity and social capital:
- Empirical investigation based on correlation finds that more homogeneous communities foster greater levels of social capital
  - Evidence suggests that communities with high levels of racial and cultural diversity have lower levels of interpersonal trust and formal and informal networks (Alesina and Ferrara, 2000; 2002; Costa and Kahn, 2003)” (Letki 2008:p100)
- But social capital, as a concept, can not identify *why* because it cannot develop any meaningful explanations
- In the case of homogeneity, other research points to social inequalities and social deprivation, which are factors largely ignored by social capital (Li et al., 2005; Marschall and Stolle, 2004; Oliver and Mandelberg, 2000; Oliver and Wong, 2003; Ross et al., 2001; Sampson et al., 1997)

# Summary of wicked problems

1. What is “it”? Separating what it is from what it does
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## What is the way forward?

- We need to look deeply into the theoretical foundations of conceptual approaches to social capital, or lack of such foundations.
- Difficult questions need to be asked about the appropriateness of different approaches and we need to dig into the action-theoretical and ontological foundations of different approaches.
- We cannot continue to use complexity and the interdisciplinary nature of social capital as an excuse for poor scholarship.
- We need to acknowledge that continued empiricism on weak theoretical foundations is unlikely to resolve these problems.

## Some difficult questions

- Why have so many scholars abandoned academic and intellectual rigor in the application of social capital?
- How do they not understand the tautology and truisms in their research?
- How does this failure fit within the context of sector trends in academia and dominant episteme and paradigms?
- Who bears responsibility for the poor scholarship published in peer-reviewed journals?
- How can these problems be resolved?

## Lessons from criticisms of social capital

- The criticisms of social capital may seem damning
- Many of the problems with the use of social capital would be avoided if there was not cavalier use of the concept
- Solutions require careful consideration of the theoretical foundations of social capital and attention to rigorous research design

## Lessons from criticisms of social capital

- Don't lose the social by allowing rationalism, individualism, and reductionism to reify the 'social'
- Don't treat social capital as capital, it's not capital in the traditional sense, it's more appropriately a glue, lubricant, or catalyst
- Don't use social capital if a more appropriate term exists
- Don't perpetuate the existing vulgar scholarship by oversimplifying or inappropriately aggregating aspects
- Don't get caught in a circular argument – be very clear about what is source, form, consequence

## Lessons from criticisms of social capital

- Don't make assumptions about the indicators of social capital, particularly how the data is collected and what its significance is for the aspects of social capital being investigated
- Don't ignore the context where social capital is being used or investigated and be clear about the scope of interest or relevance
- Don't confuse or ignore the different levels at which social capital exists
- Don't create your own definition or instrument where an existing one would suit

## Summary

- There are numerous problems with current and previous applications of social capital
- Many of the problems are difficult to resolve
- There are various things we can do to help to resolve or mitigate the problems
- It is incumbent on the people using the concept to use it more effectively and appropriately