



# **SOCIAL CAPITAL - TOWARDS A POLICY FRAMEWORK**

Presentation for the Strategic Thinkers Seminar

26th March 2002



# CONTENTS

---

- what is the rationale for government intervention?
- should government have a social capital policy?
- what are the challenges for policymakers in designing interventions?
- what examples can be drawn from *existing* policies and programmes? (potential *new* initiatives will be addressed in the next presentation).



# WHAT IS THE RATIONALE FOR GOVERNMENT INTERVENTION?

---

- moral arguments : social capital may have a role to play in nurturing virtuous behaviours such as co-operation with others.
- economic efficiency arguments :
  - social capital may generate externalities that lead to under-investment in beneficial forms of social capital;
  - social capital may improve information flows, reduce transaction costs and thus promote more effective competition.
- equity arguments : some groups may have better access to social capital (networks, contacts etc) than others contributing to (e.g.) social exclusion.
- civic and political arguments : social capital may help to underpin a healthily functioning democracy and more effective institutions of government.



# SHOULD THERE BE A SOCIAL CAPITAL POLICY?

---

- some aspects of social capital (e.g. inter-personal trust) may be highly desirable in their own right or because they are absolutely central to final policy goals. In these circumstances, the case for a social capital policy, and a strategy to promote it, may be strong - analogous to education policies.
- other aspects of social capital may be much more instrumental with a focus on how best to use social capital (alongside other forms of capital) to achieve final policy goals. In these circumstances, the need for a social capital policy *per se* seems weaker.

# CHALLENGES FOR POLICYMAKERS: (1) HOW EASILY CAN GOVERNMENT AFFECT THE ACCUMULATION OF SOCIAL CAPITAL?

---



- the importance of (e.g) historical and cultural factors as determinants of social capital suggests that intervention to promote the accumulation of beneficial social capital may not be easy
- Putnam (*Bowling Alone*) says :

*“Creating (or re-creating) social capital is no simple task. It would be eased by a palpable national crisis, like war or depression or natural disaster ...”.*

[But : post-September 11th]

# CHALLENGES FOR POLICYMAKERS: (2) WHAT WORKS? - MEASURING AND EVALUATING THE EFFECTS OF INTERVENTIONS

---



- to design and implement measures to promote the accumulation of beneficial social capital, policymakers need good data and evidence on :
  - the scale and nature of the problem to be tackled; and
  - the likely impacts of different interventions, including their cost-effectiveness
- measurement of social capital in official surveys is improving but scope to do more e.g. to allow effects at the neighbourhood as well as the individual level to be measured.
- we know little about the cost-effectiveness of alternative measures for promoting the accumulation of beneficial forms of social capital.

# CHALLENGES FOR POLICYMAKERS:

## (3) GETTING THE BALANCE RIGHT AND AVOIDING UNINTENDED EFFECTS

---



- interventions to promote the accumulation of social capital are more likely to have beneficial outcomes where they seek the right balance between different types of social capital.
- for example, regeneration programmes that emphasise self-help or capacity building (bonding social capital) to the exclusion of links to the wider community or economy (bridging social capital) might result in members of a community continuing to be excluded from networks that could take them into employment.
- other examples of policies that may have unintended effects:
  - urban clearance programmes that disrupt or destroy social networks;
  - labour market / social security policies that fail to recognise the importance of informal networks and contacts in the search for work.



# EXISTING POLICIES

---

- a range of existing policies and programmes are about building beneficial social capital even if they are not articulated in these terms.
- these interventions fall in to three broad categories
  - (a), policies and programmes which stimulate social capital at, (a), the individual level;
  - (b), the community level; and
  - (c), the national level.
- in general, they are addressing a range of policy objectives including - e.g.- tackling social exclusion, improving the environment etc as well as building social capital.

# EXISTING POLICIES:

## (1) STIMULATING SOCIAL CAPITAL AT THE INDIVIDUAL LEVEL

---



- **Example 1: Millennium Volunteers**

**Rationale** : associational activity, including volunteering, builds trust and facilitates engagement with different social groups (bridging social capital) Early experiences of volunteering or other associational activity are correlated with levels of community engagement in later life.

**Details** : the Millennium Volunteers programme, funded by DFES, is seeking to attract 100,000 new volunteers in the age range of 16-24 by the end of 2003. (Also the Experience Corps).

- **Example 2: Connexions**

**Rationale** : mentoring can play an important role in building an individual's social capital, particularly bridging social capital.

**Details** : Connexions is intended to be a universal service, with all young people aged 13-19 having access to a Connexions Personal Adviser as needed (though it is aimed particularly at young people at risk of disengagement or disaffection). The service will offer practical help with choosing courses and careers, including access to broader personal development through activities like sport, the performing arts and volunteering activities.



## EXISTING POLICES: (2) STIMULATING SOCIAL CAPITAL AT THE COMMUNITY LEVEL

---

- **Example 1: Home Zones**

**Rationale:** road layout and the built environment may effect opportunities for social interaction and thus bonding and bridging social capital.

**Details:** Home Zones restrict access to residential streets by vehicles not owned by residents. Pilot schemes are underway and a challenge fund of £30m has been established to promote more.

- **Example 2: dispersing social housing**

**Rationale:** large concentrations of social housing make it more difficult for members of disadvantaged communities to build bridging social capital. Evidence from the US suggests that dispersing social housing has various benefits, particularly for the children of the households dispersed, including: lower drop-out rates from school; higher employment rates, and higher wages.

**Details:** purchase of existing property in mix-tenure neighbourhoods forms part of programmes for additional social housing provision - if for cost-effectiveness rather than social capital reasons.

## EXISTING POLICES:

### (3) STIMULATING SOCIAL CAPITAL AT THE NATIONAL LEVEL

---

- **Example 1: citizenship education**

**Rationale:** citizenship education may help to increase knowledge of how to engage in community and other activities, creating the foundations for bonding, bridging and linking social capital.

**Details:** citizenship education will form a statutory part of the national curriculum in secondary schools from September 2002. And, the 14-19 consultation paper proposes that active citizenship should be recognised by the Matriculation Diploma.

- **Example 2: public service broadcasting**

**Rationale:** the building of social capital of all kinds depends on developing some shared sense of identity and a common language or talking points. National identity and inter-personal trust are closely correlated.

**Details:** public service broadcasting may have a role to play in providing such talking points e.g. through soaps or programmes like Big Brother. An issue for policymakers may be how public service broadcasting can continue to play this role in the age of multi-channel digital TV with smaller audiences for individual channels.

