



SOCIAL CAPITAL - AN OVERVIEW

Presentation for the Strategic Thinkers Seminar

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WHAT IS SOCIAL CAPITAL?



- “...features of social life - networks, norms and trust - that enable participants to act together more effectively to pursue shared objectives”. (Putnam)
- “...features of social organisation, such as civic participation, norms of reciprocity and trust in others, that facilitate co-operation for mutual benefit.” (Kawachi et al)
- another way of describing “community”. But a traditional community is just one of many forms of social capital.

TYPES OF SOCIAL CAPITAL



- bonding e.g. among family members or ethnic groups.
- bridging e.g. across ethnic groups.
- linking e.g. between different social classes.

MEASURING SOCIAL CAPITAL



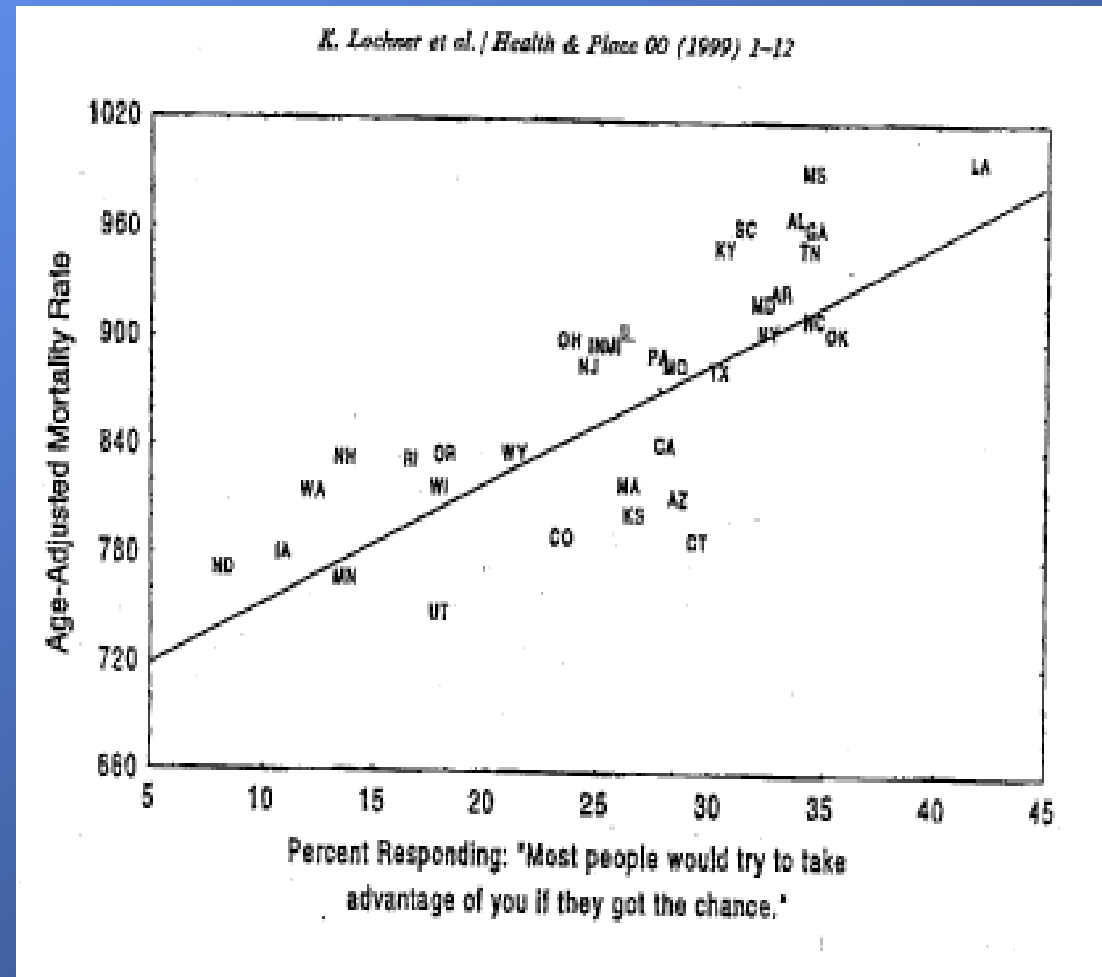
- various measures: involvement in community and organisational life; public engagement (e.g. voting); and reported levels of inter-personal trust.
- simplest measure is perhaps social trust - can other people be trusted?
- substantial national and regional variation in trust:
 - Scandinavian countries: 60%.
 - Britain: 30%.
 - Brazil: 3%.



WHY IS SOCIAL CAPITAL IMPORTANT?

Evidence of impacts on:

- economic performance
- functioning of labour markets
- health
- crime
- education
- the efficacy of government



THE DOWNSIDES OF SOCIAL CAPITAL



- it may foster behaviour that worsens rather than improves economic performance e.g. anti-competitive practices.
- it may act as a barrier to social inclusion and social mobility e.g. "old boys networks."
- it may divide rather than unite communities e.g. where levels of bonding social capital are high and levels of bridging social capital are low.
- it may facilitate rather than reduce crime e.g. terrorist networks with high levels of bonding social capital.
- conclusion: optimise, not maximise?



TRENDS IN SOCIAL CAPITAL

- declining: United States (from a high base) & Australia.
- stable or ambiguous: United Kingdom; France (at a low base).
- increasing: Japan & Germany (from a low base); Sweden & the Netherlands (from a high base).

TRENDS IN SOCIAL CAPITAL: KEY FINDINGS



• associational membership:

- generally stable or rising (but not in the US and Australia);
 - declining participation in traditional organisations e.g. trade unions, political parties, the church, women's organisations.
 - partly off set by growth in new social movements and single issue organisations.
 - growth in cultural and sporting organisations.
 - evidence of more individualistic and transient social connections. But can be co-operative as well as more self-centred.
- mixed evidence of declining levels of informal sociability;
 - evidence of declining inter-personal trust in some countries and of declining trust in political institutions in most countries.
 - some evidence of declining engagement by young people.

THE UNITED STATES



- declining associational membership, especially among the young (two thirds of Americans attended club meetings in the mid-70s. In the late 90s, two thirds never attend).
- intensity of participation has fallen even more (fewer meetings, reduced willingness to assume leadership roles etc).
- declining levels of political, civic and religious engagement. Not compensated by growth in new single issue movements.
- falling levels of informal socialising (having friends for dinner etc).
- declining level of inter-personal trust especially amongst the young (*and twice as many lawyers per head of population compared with the 1960s*).



THE UNITED KINGDOM

- most types of associational membership have increased since the 1950s - but increasing gap between the “well connected” and others.
- no data on the intensity of engagement.
- but: shift towards self-help or single issue organisations characterised by “cheque book” membership?.
- fall in membership of traditional women’s groups, religious organisations and political parties.
- no clear evidence of decreased levels of socialising (but time spent visiting friends is down especially among full-time male workers).
- declining levels of inter-personal trust (1959: 56%; 1995: 31%) and of trust in public institutions, especially amongst the young.

JAPAN



- some evidence of rising levels of civic engagement and membership of NGOs.
- substantial increase in involvement in voluntary organisations caring for children, the aged and the disadvantaged.
- increase in general levels of trust.
- but: how far displacing other forms e.g. the role of firms in Japanese society?

THE DETERMINANTS OF SOCIAL CAPITAL



- history and culture- tradition of vibrant associational life in Northern Italy.
- social structures - hierarchical structures are bad for social capital.
- the family. Creates norms and social ties.
- education. Higher levels of education are associated with greater social trust etc.
- civil society. Voluntary associations may help to build social capital and foster trust.
- labour market trends. e.g. work intensity appears to have a negative effect on social engagement.
- technological and other innovations. Role of television - can be positive or negative.
- economic inequalities. Beyond some threshold economic inequalities may reduce the likelihood of shared social associations etc.
- individual values - desire for greater personal autonomy etc.