



# A Public Lecture by Richard J. Estes

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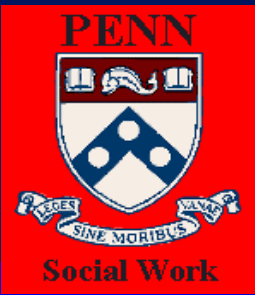


# SOCIAL CAPITAL:

*A New Concept*

*or*

*Old Wine in New Bottles?*



# Presentation Objectives

- To formally introduce the concept of *social capital*
- Distinguish what is meant by *social capital* from other forms of capital
- Distinguish *social capital* from other recent conceptual innovations in social development, i.e., *communitarianism, civil society, etc.*
- Identify the sources, dimensions and levels of social capital
- Identify the implications of adopting a social capital formation strategy for social development theory and practice in both the U.S. and other countries

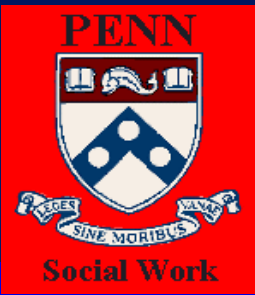


# Social Capital: The Concept



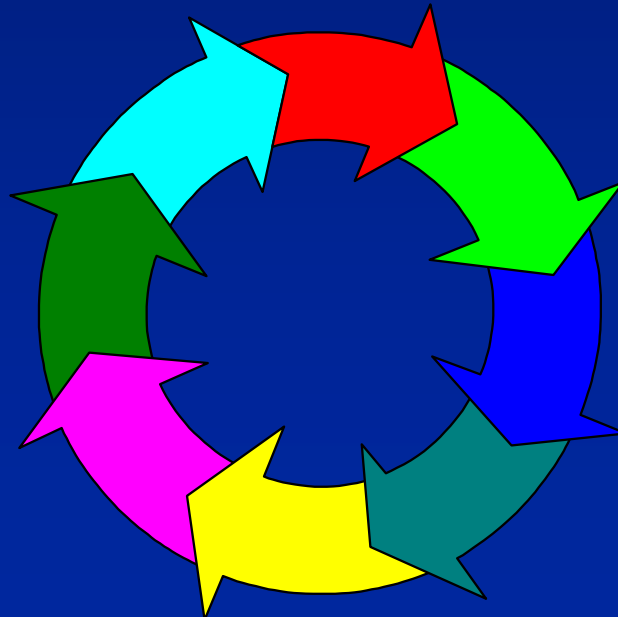
# “Capital”

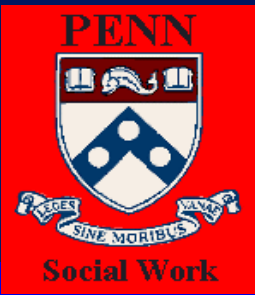
- ***Physical* capital refers to physical objects**
  - plants, machinery, other equipment
- ***Financial/Fiscal* capital refers to money and monetary instruments**
  - stocks, bonds
- ***Human* capital refers to properties of individuals**
  - knowledge and skills that are derived from education, training and experience
- ***Cultural* capital refers to assets that affect one’s standing in a particular class:**
  - level of knowledge, linguistic ability
  - cultural activities including reading, television, music, art, theatre



# “Social Capital”

- *Social* capital refers to “...connections among individuals--*social networks* and the *norms of reciprocity* and *trustworthiness* that arise from them” (Robert Putnam, 2000:19)





# “Social Capital” (cont’d)

- ***Social networks*** include a broad range of associational activities in which people participate
  - Families and friends
  - Neighborhood associations
  - Political associations and parties
  - Local, regional, state, national and international advocacy, professional association or other special interest groups
- ***The norms of reciprocity*** refer to the values that inform exchanges
  - Between two or more friends
  - Between larger collectivities of people
  - Such norms may exist in tradition or may be prescriptions for ethical behavior found in sacred texts, e.g., in Hinduism, Buddhism, Judaism, Christianity, Islam and so on



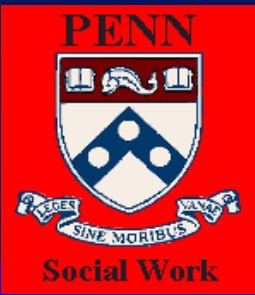


# “Social Capital” (cont’d)

## ■ *Trustworthiness*

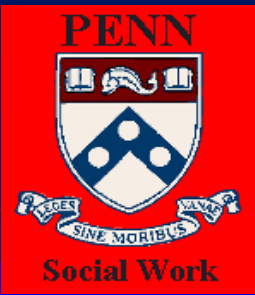
- “Trust” refers to *confidence in and reliance on good qualities—esp. fairness, truth, honor, or ability; responsibility for taking good care of somebody or something*
- “Trustworthiness”, thus, implies a person who is *deserving of trust, or able to be trusted*





# “Social Capital” (cont’d)

- Trust and reciprocity are at the heart of social capital
- Social networks are one of the results of trust and reciprocity in action and, thus, the strength of these networks reflect the depth of trust and “predictability” of the exchange relationship that exists between the participants
- Trust, though, determines the extent to which people are willing to *invest or divest* themselves in social relationships with one another
  - High stocks of trust invariably lead to higher levels of social capital which, in turn, promote the emergence of more dense social networks and progressively stronger norms of reciprocity (Smith, 2001)

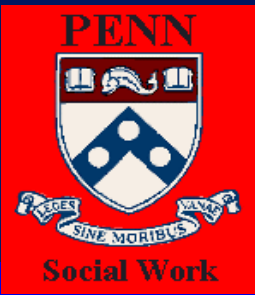


# The Centrality of Trust in Social Capital

- Increasing levels of trust come about through increased interaction among people. These interactions:
  - Build communities
  - Help people to commit and recommit themselves to each other
  - Knit the social fabric on which social capital formation itself depends

## ■ Ala Beem (1999:20)

“Trust between individuals...becomes trust between strangers and trust of a broad fabric of social institutions; ultimately, it becomes a shared set of values, virtues, and expectations within society-as-a-whole...Without this interaction...trust decays; at a certain point, this decay begins to manifest itself in serious social problems...”

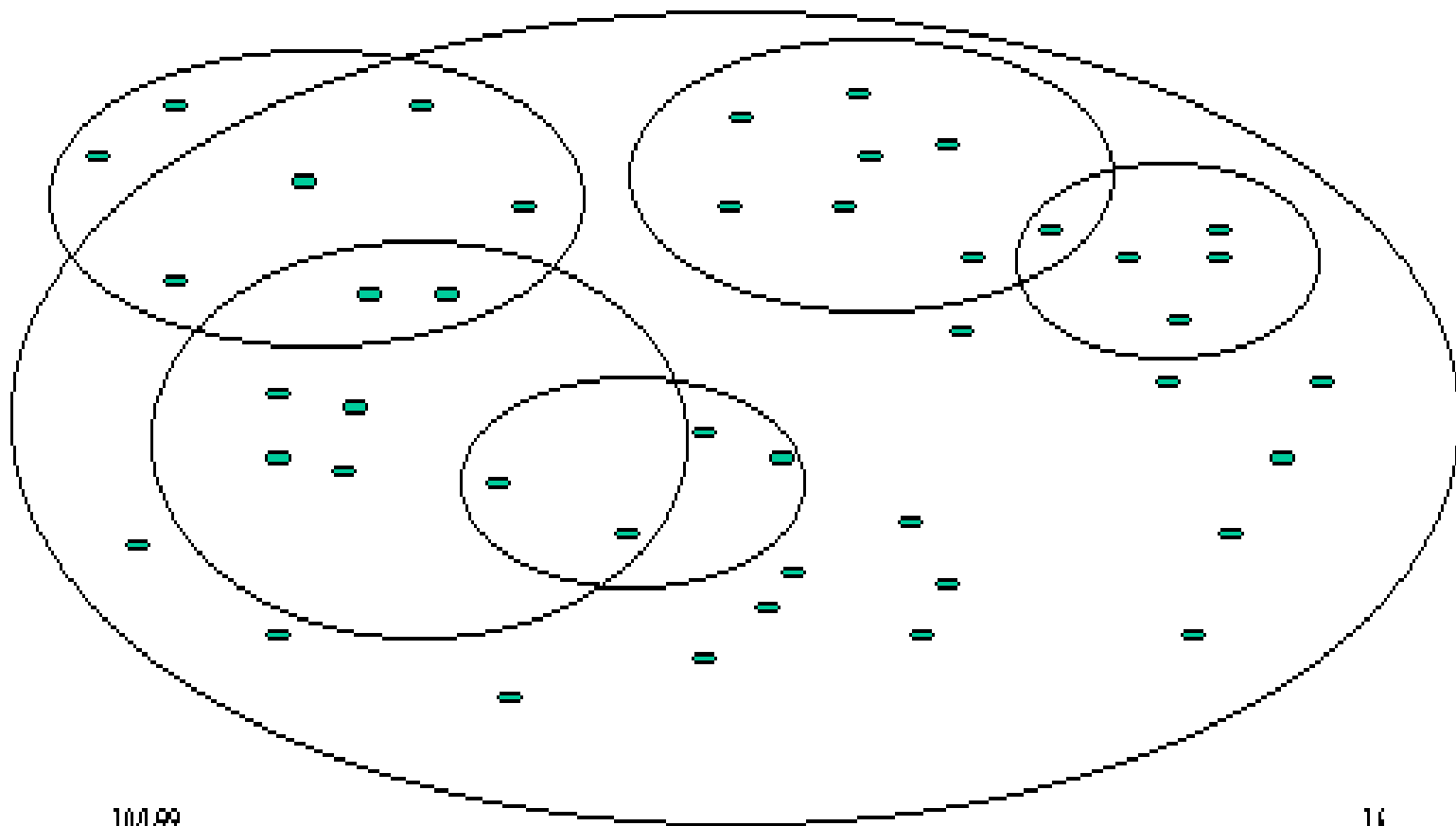


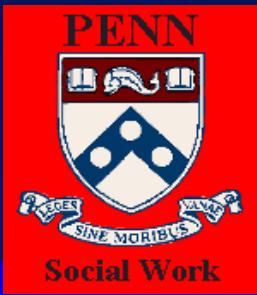
# Francis Fukuyama's “Networks of Trust” (1999)

Uses the concept of “radius of trust” to illustrate the existence of social capital between and among various groups of people

- All groups embodying social capital have a certain radius of trust, the circle of people among whom cooperative norms are operative
  - If a group’s social capital produces positive externalities, *the radius of trust can be larger than the group itself*
    - » The “good will” that exists in the larger community associated with the work carried on by a social agency, university, etc.
  - It is also possible for *the radius of trust to be smaller than the members of the group*
    - » as in large organizations that foster cooperative norms only among the group’s leadership or permanent staff
- A modern society can be thought of as a series of concentric and overlapping radii of trust

# Networks of Trust

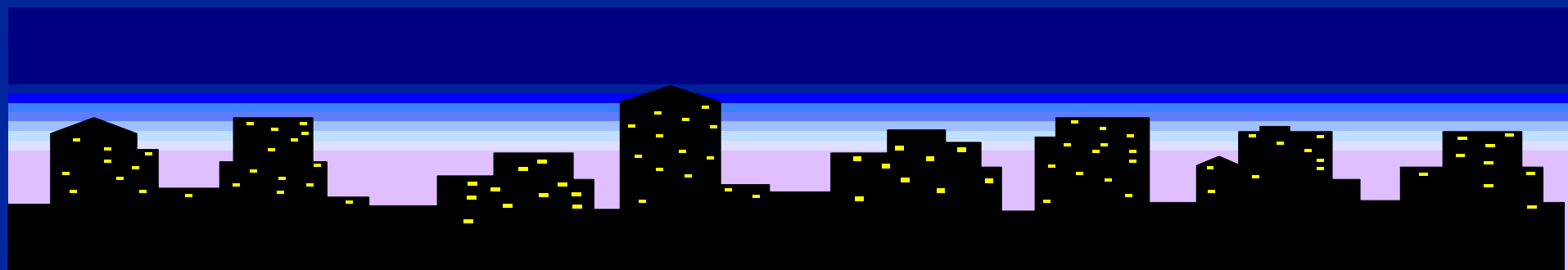


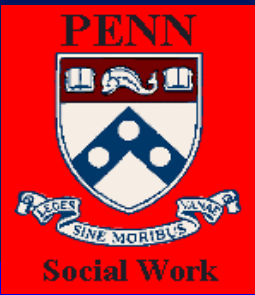


# “Social Capital”

World Bank (1999)

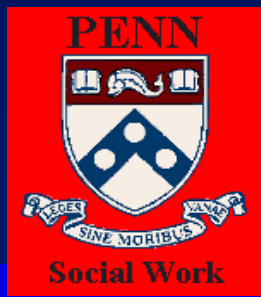
“Social capital refers to the *institutions, relationships, and norms* that shape the *quality and quantity* of a society social interaction. Social capital is not just the sum of the institutions which underpin a society—it is the *glue that holds them together.*”





# Terms Requiring Definitions

- Values
- Norms
- Norms of reciprocity
- Virtue
- Civic virtue
- Civic engagement
- Trust
- Trustworthiness
- Capital
- Community
- Communitarianism
- Civil Society
- Equality
- Political equality
- Cooperative action
- Networks



# Sources of Social Capital



# Sources of Social Capital

(World Bank, 2002)

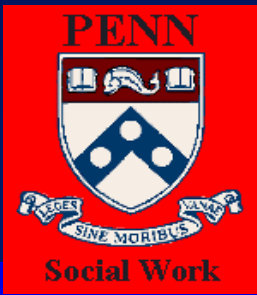
A number of key sources of social capital are to be found in every community, albeit in differing amounts and at differing levels

- Individuals
- Families
- Communities
- Civil society institutions and organizations
- Firms/Businesses/Employers
- The public sector



# Sources of Social Capital: *Individuals*

- **As individuals, each of us brings something different to the social capital “mix”**
  - Intelligence
  - Knowledge
  - Values
  - Contacts
  - Social history
- **These personal “social ingredients” (i.e., “stocks”) are of value to both ourselves and others**
- **They become elements (i.e., investments) in the social exchanges that occur as part of a “network” of reciprocal social relationships**
- **These investments are additive and can be “traded” (but not given away or sold) with others for social resources they bring to the social investment table**



# Sources of Social Capital: *Families*

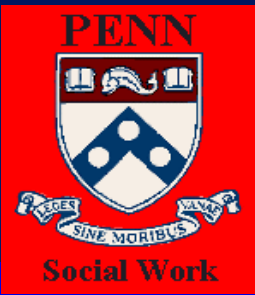
- **Families are the basic social units on which all the rest of society rests**
  - Indeed, families are the most durable social institution in that they outlast the larger “macro” institutions, e.g., political and economic systems
  - Family even outlasts the other major “micro” social institution--religion
- **Families perform the most critical functions for all their members, e.g.,**
  - Create new life
  - Socialize young into the norms, values and traditions of society
  - Prepare persons for work and occupations
  - Function as the primary economic institution to provide for basic material needs of its members, esp. during economic difficult times
  - Caregivers for the young, old, disabled and sick



# Sources of Social Capital: *Families (cont'd)*

**In performing its functions, families generate substantial amount of social capital:**

- *Model norms of trust, reciprocity, mutual aid, exchange and, typically, altruism—all norms that are essential to the development of social capital*
- *Model patterns of cooperative social interaction with others in the community that are carried forward by their children into future generations*
- *Make substantial emotional, physical and financial investments in the human capital development of their children*
- *Serve as sources of financial and human capital in contributing to the development of entrepreneurs, i.e., via gifts, loans, grants, or the provision of free or inexpensive labor (Geertz, 1962)*



# Sources of Social Capital: *Families (cont'd)*

- **But...especially dense family networks also can undermine the creation of financial and social capital by imposing barriers to integration with external networks**
- **High levels of internal trust may generate distrust of non-family members and institutions, thereby, preventing the development of potentially productive relationships**
  - These types of family patterns are especially common in communities where the rule of law is weak (Gambetta, 1993; Milner, 1994)
- **Dense kinship networks also may place heavy obligations on entrepreneurs that divert economic and other resources away from current or potential investments**



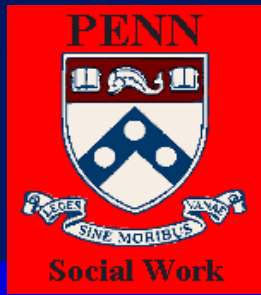
# Sources of Social Capital: *Communities*

- **Communities provide the context within which neighbors, friends and a broad range of formal and informal groups come together to pursue common purposes**
  - Arts and cultural groups
  - Neighborhood associations
  - Civic associations
  - Community centers
  - Ethnically- or regionally-based associations
- **Social capital at the community level increases with increases in frequency of interaction between and among these groups**
- **Leads to improved coordination and communication which, in turn, facilitates increased mutual trust and willingness to cooperate in future activities or in new areas**



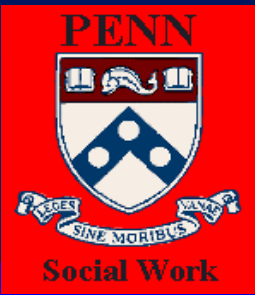
# Sources of Social Capital: *Communities (cont'd)*

- **Networks of community interaction benefit not only those directly involved in the interactions, but the community-as-a-whole (Narayan & Pritchett, 1997)**
- **Danger: members of a community who do not comply with group or community norms may be ousted from the community or, at a minimum, blocked from participating fully in the social benefits of that community**
  - New arrivals; Members of minority groups
  - Women
  - Aged
  - Persons with disabilities
  - Representatives of other “socially excluded” groups (e.g., drug users, persons with HIV/AIDS)



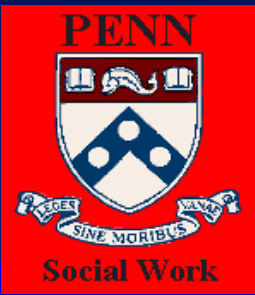
# Sources of Social Capital: *Civil Society*

- **Civil society consists of those formal and informal groups and organizations that emerge and act independently of the state and market to promote society's diverse collective interests**
  - Credit unions
  - Cooperatives
  - Foundations
  - Neighborhood associations
  - Advocacy groups, etc.
- **The nature and activities of these groups are essentially voluntary in nature but seek to integrate private sector activities with those of the public sector**
  - Sometimes such efforts may be confrontational in nature



# Sources of Social Capital: *Civil Society (cont'd)*

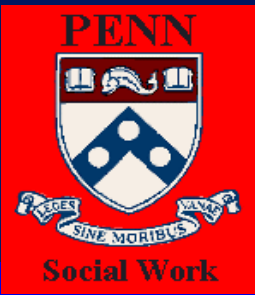
- **Civil society institutions are essential to the development of social capital:**
  - provides opportunities for participation and
  - gives voice to those who may be locked out of more formal avenues to affect change
- **The public sector—i.e., the state—both recognizes and encourages the development of civil society institutions via:**
  - Formal recognition (e.g., registration, incorporation)
  - Tax exemptions
  - Encouraging the development of private philanthropy
  - Subsidies
- **Like other social institutions, though, a danger exists that civil society organizations can become overly inclusive and, therefore, exclusive of those who do not easily “fit” within its norms**



# Sources of Social Capital: *Firms*

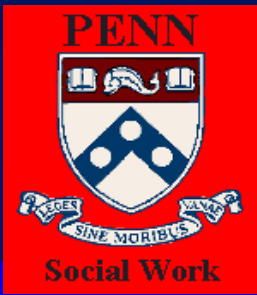
- Also part of civil society, “firms” refer to the organizations in monetized economies that provide employment and/or other opportunities to earn income
  - Businesses; Corporations; Firms
- Social capital at the firm level grows in response to
  - Better and more efficient *development and sharing of knowledge* (including technology and the more efficient productive processes)
  - *Reduced transaction costs* (including those associated with negotiation and enforcement, imperfect information and layers of unnecessary bureaucracy)
  - *Lower turnover rates* (and, hence, lower severance, recruitment and training costs)
  - *Greater coherence of action* due to organizational stability and shared understanding (Cohen & Prusak, 2001:10)





# Sources of Social Capital: *Firms (cont'd)*

- **The most effective firms (in terms of efficiency and profitability) are those organized around norms of reciprocity and *interdependent* relationships designed to enforce collective decisions and actions**
  - Promoting greater coordination among individuals and between departments
  - Strengthening teamwork
  - Building within and across sector partnerships with other organizations (public-private commissions) that contribute to the effectiveness of one's own
- **Such norms are believed to increase the competitive edge and profitability of successfully organized firms**



# Sources of Social Capital:

## *Firms (cont'd)*

- Like other social units, firms also can have a negative effect on the development of social capital when:
  - Levels of trust become confining, such as in a family firm
  - Corruption within (ENRON) and between firms (ENRON and Anderson Accounting) and between firms and government (ENRON and “soft” political contributions)
  - Emergence of cartels that block competition and free trade and, thereby, inhibit innovation (e.g., Microsoft)



# Sources of Social Capital: *The Public Sector*

- The state and its institutions is central to the function and welfare of any society
- Considerable evidence exists that links the type and effectiveness of a country's public sector to society's level of social cohesion—including the definition of civic duty and level of commitment to it (Esping-Andersen, 1994; Putnam, 1993)
- Social capital promotes increased public *accountability* (e.g., transparency) and *legitimacy* and, thus, “good governance”
- It also improves the provision of public goods and services
- Corruption in the public sector interferes with both good governance and the development of social capital



# How Social Capital Works: Outcome Areas

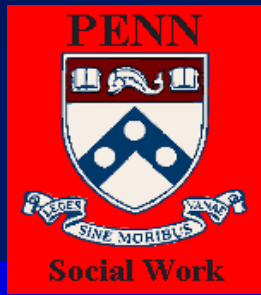
## ■ *Political and social engagement* including:

- Voting
- Political knowledge
- Political trust
- Grassroots political activism

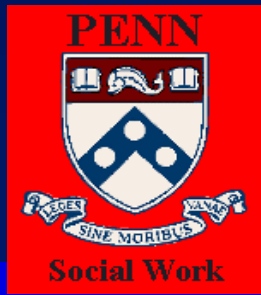
## ■ *Informal social ties* including:

- Entertainment and leisure time activities with
  - » Family
  - » Friends
  - » others

## ■ *Tolerance and trust*, especially of persons not within ones direct social group(s)

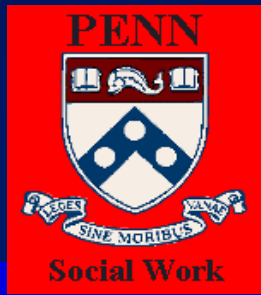


# The Social Capital Formula

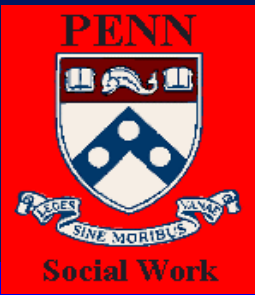


# The Social Capital “Formula” (Estes, 2003)

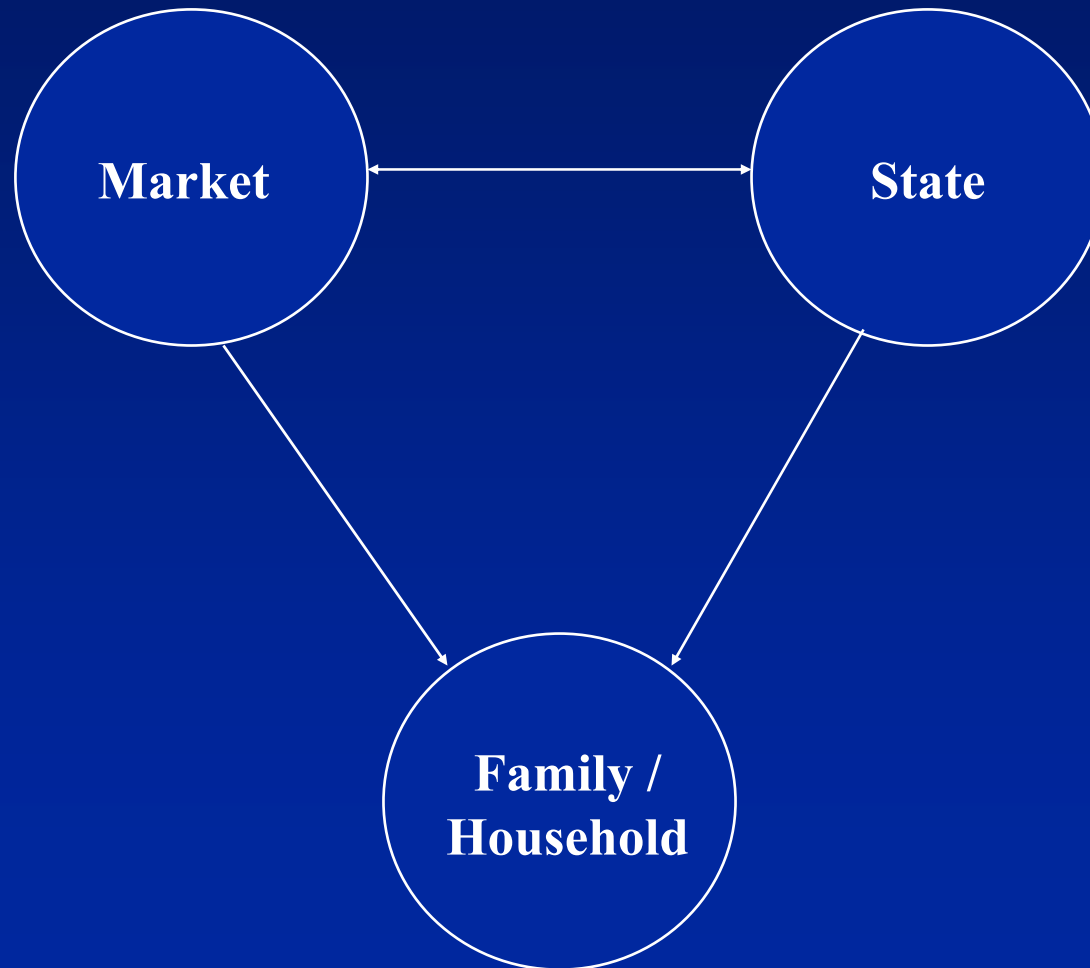
$$\text{Social Capital (SC)} =$$
$$[f (\text{In} + \text{Fm} + \text{Cm} + \text{CS} + \text{Fr} + \text{PS})]$$

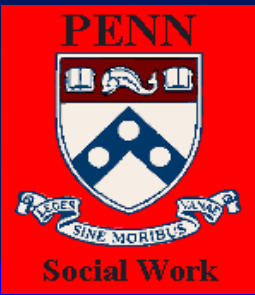


# The Social Capital Formula Illustrated

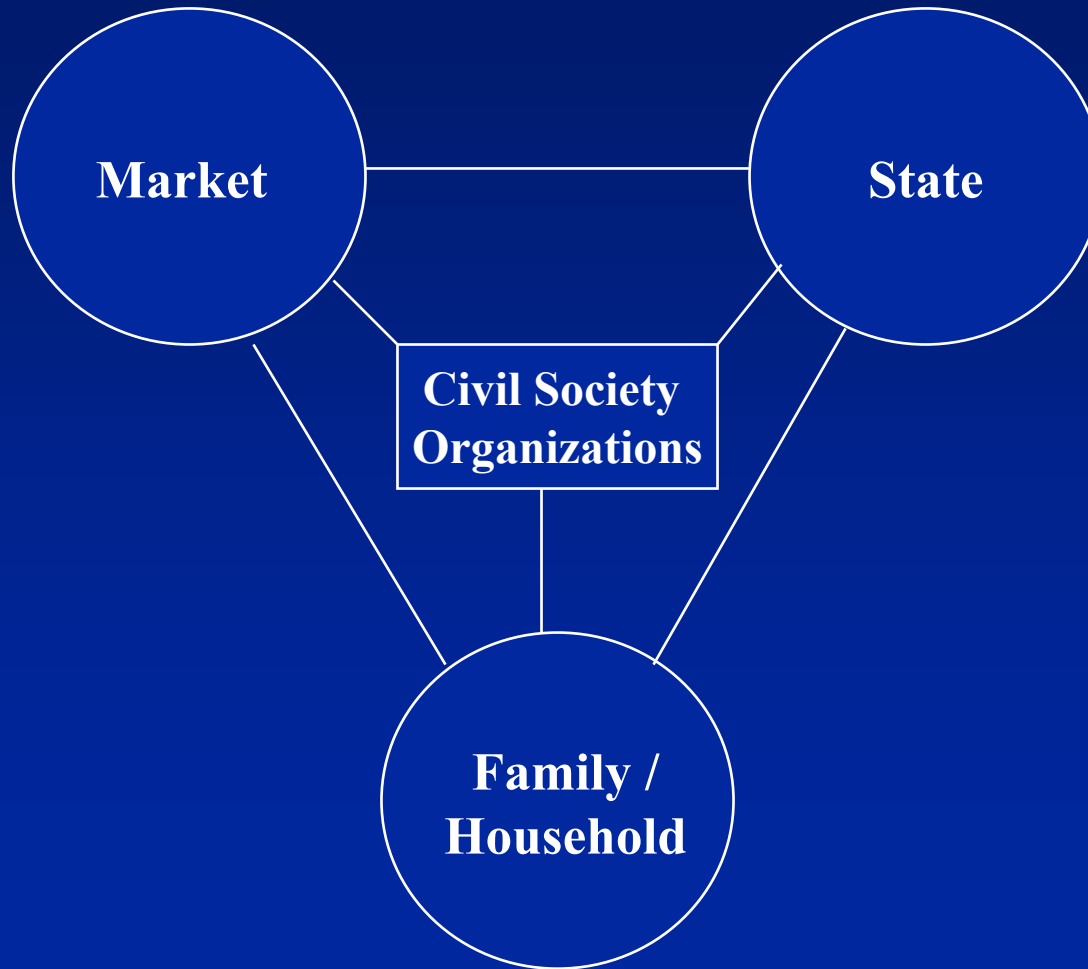


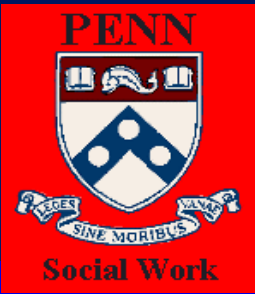
# The Social Capital “Mix”: The Core Institutions (ala Evers & Wintersbeger, 1988)



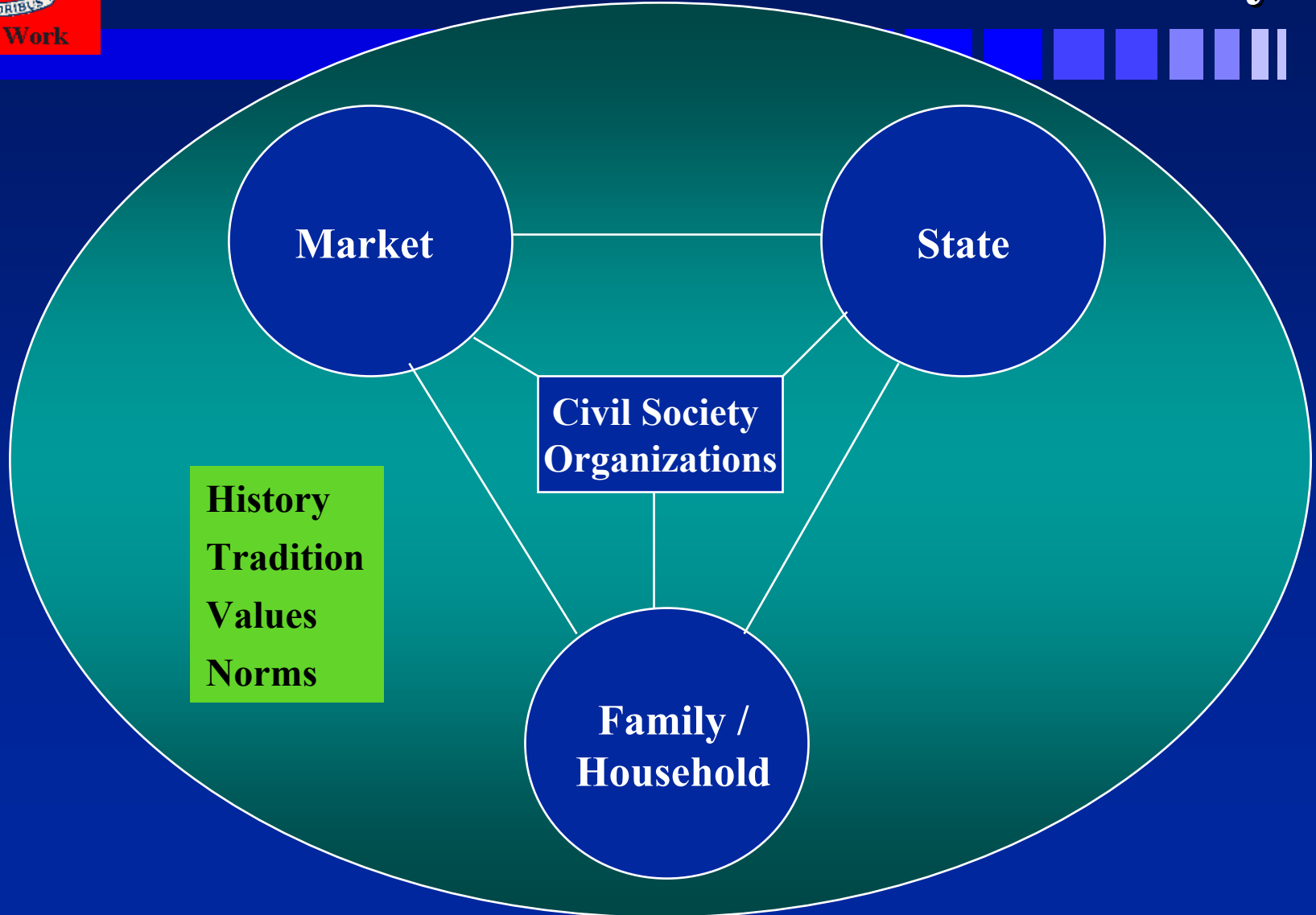


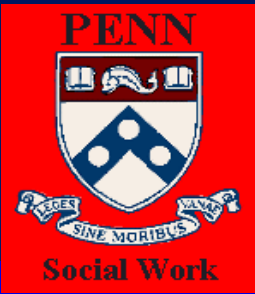
# The Social Capital “Mix”: Core Institutions + Civil Society



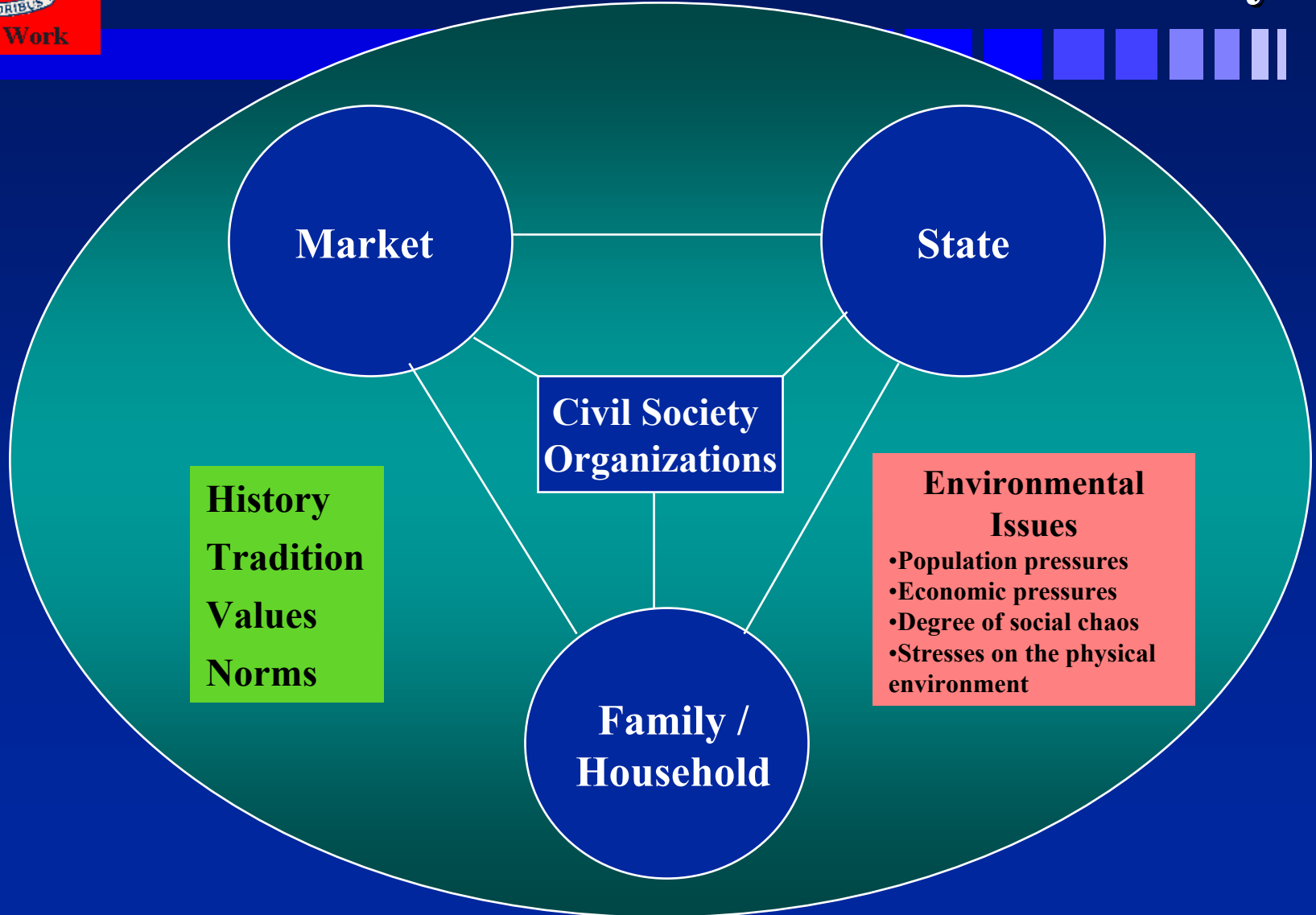


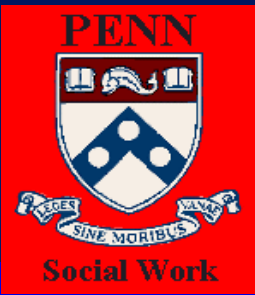
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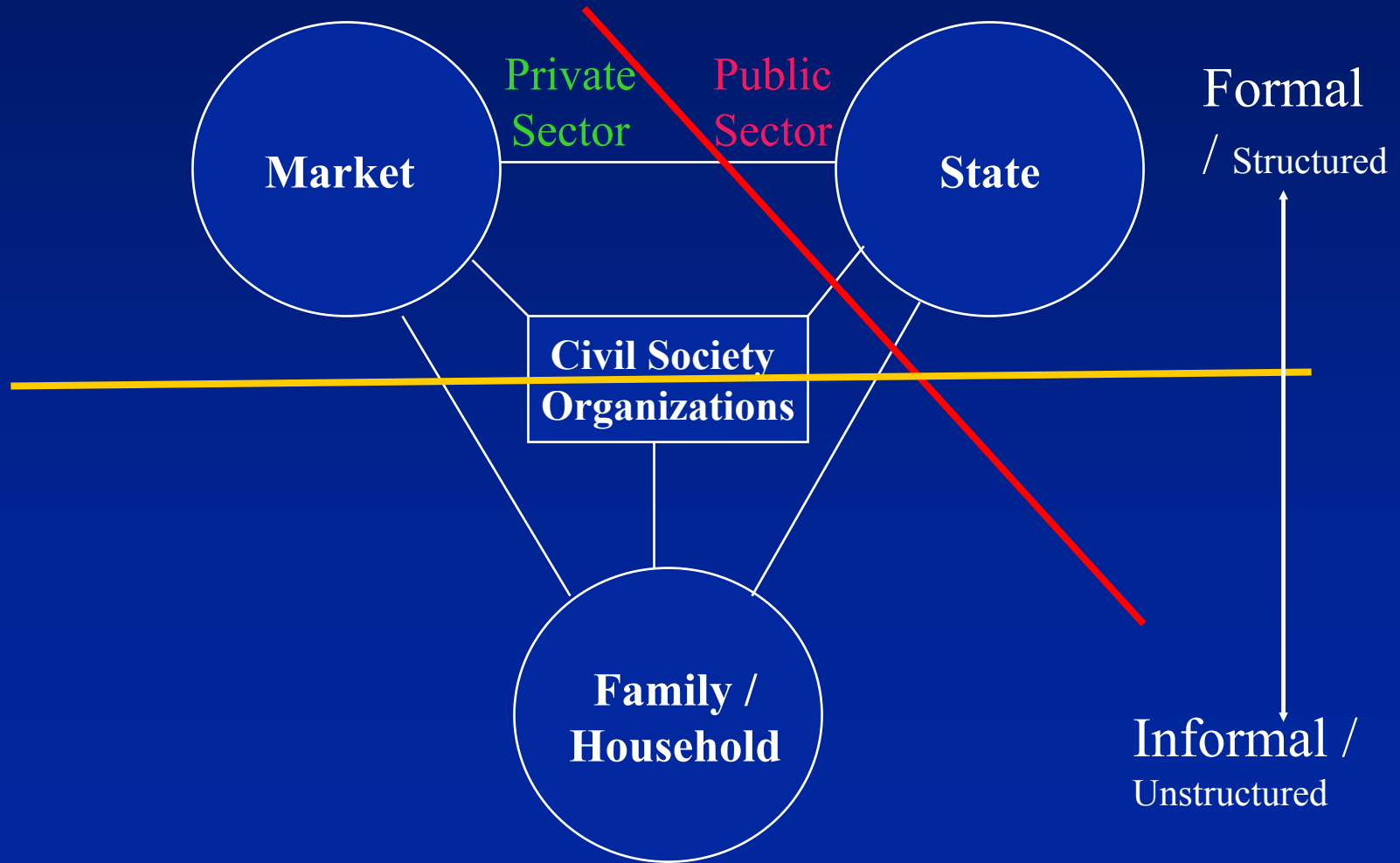


# The Social Capital "Mix": Core Institutions + Civil Society

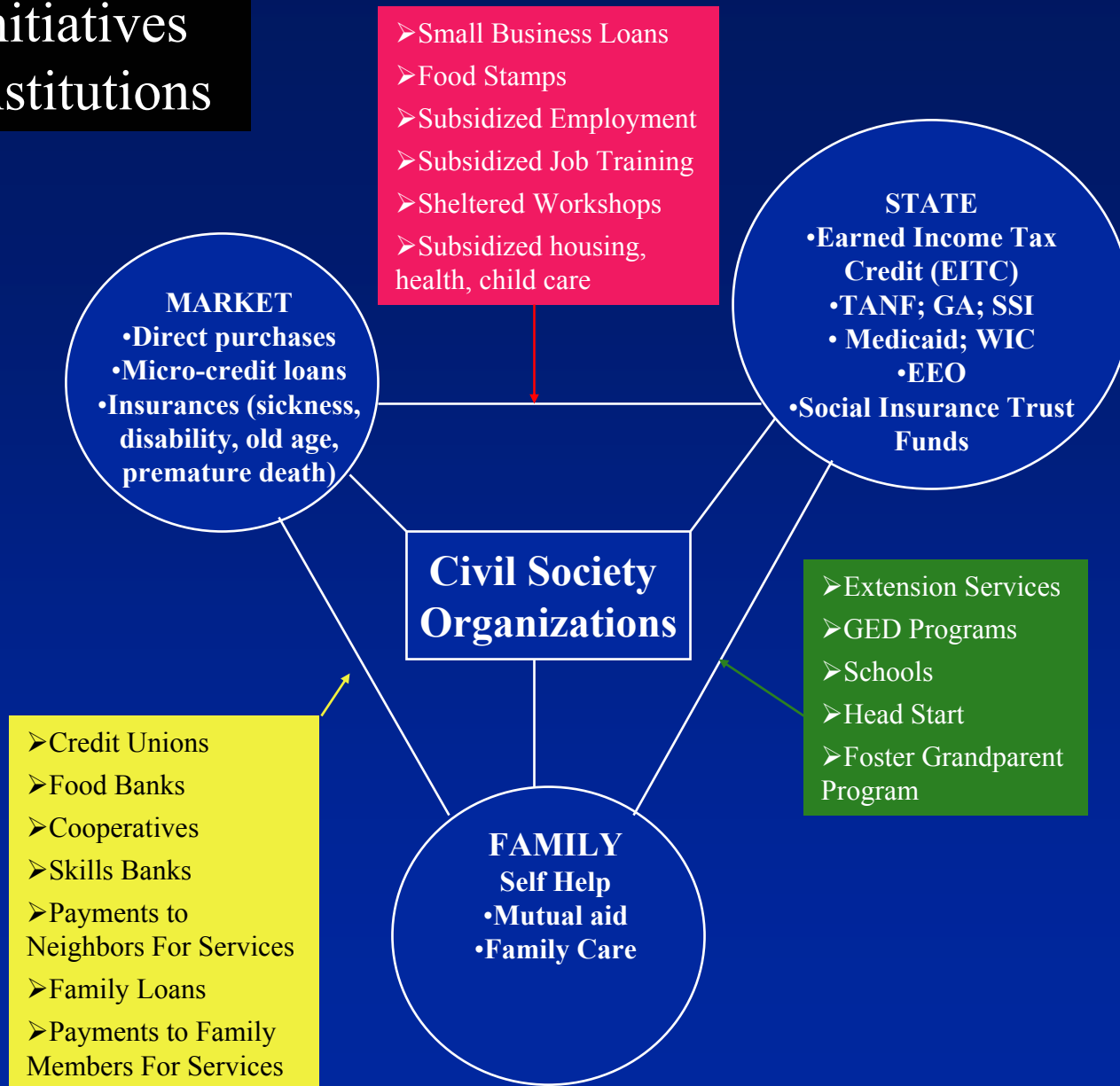




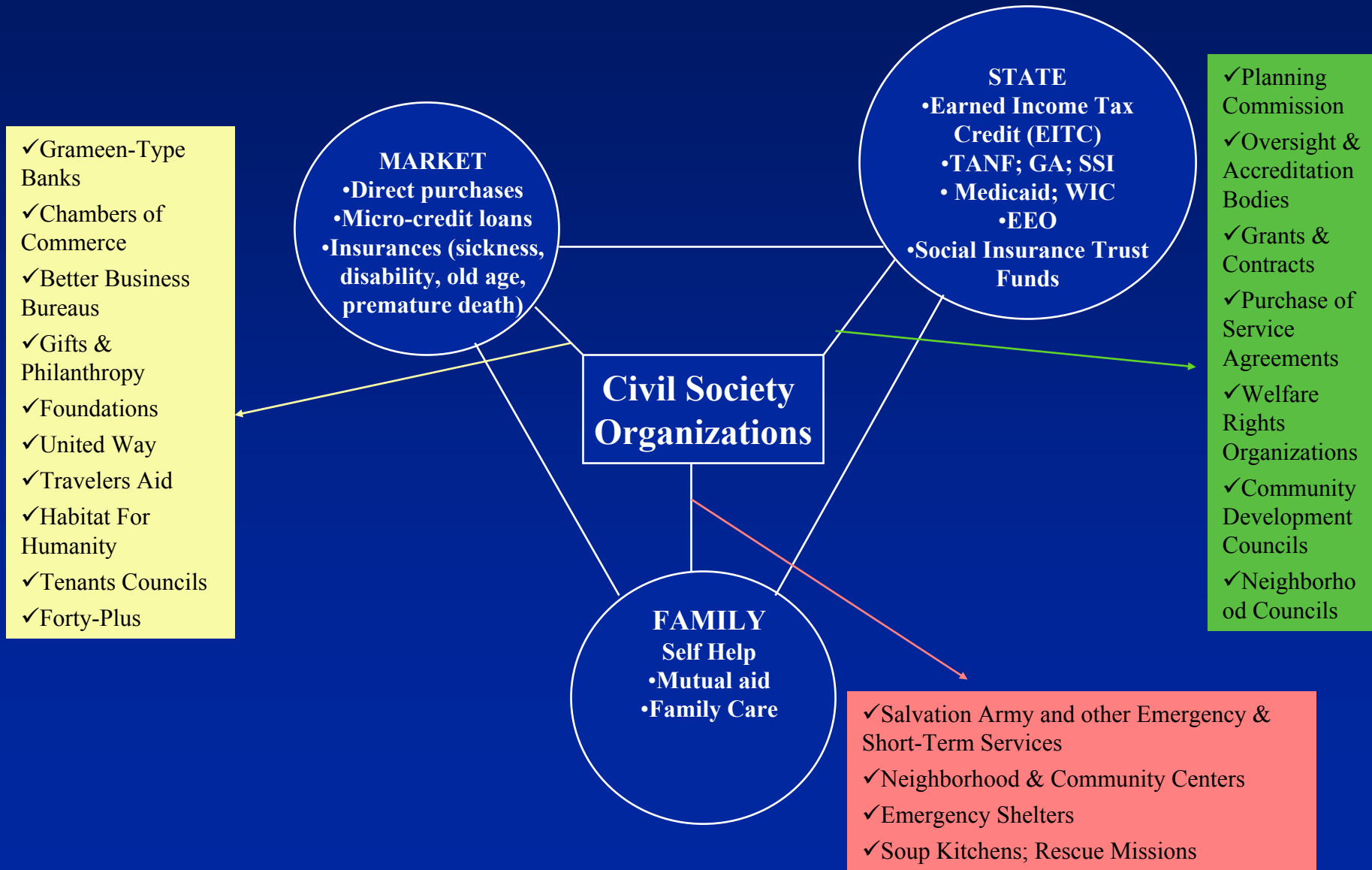
# The Social Capital “Mix”: Core Institutions + Civil Society



# Poverty Initiatives of Core Institutions



# Civil Society Poverty Initiatives



# Core Institutions & Civil Society Poverty Initiatives

- ✓ Grameen-Type Banks
- ✓ Chambers of Commerce
- ✓ Better Business Bureaus
- ✓ Gifts & Philanthropy
- ✓ Foundations
- ✓ United Way
- ✓ Travelers Aid
- ✓ Habitat For Humanity
- ✓ Tenants Councils
- ✓ Forty-Plus



- Small Business Loans
- Food Stamps
- Subsidized Employment
- Subsidized Job Training
- Sheltered Workshops
- Subsidized housing, health, child care



- ✓ Planning Commission
- ✓ Oversight & Accreditation Bodies
- ✓ Grants & Contracts
- ✓ Purchase of Service Agreements
- ✓ Welfare Rights Organizations
- ✓ Community Development Councils
- ✓ Neighborhood Councils

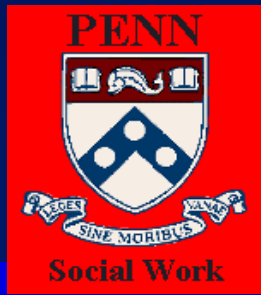


- Credit Unions
- Food Banks
- Cooperatives
- Skills Banks
- Payments to Neighbors For Services
- Family Loans
- Payments to Family Members For Services

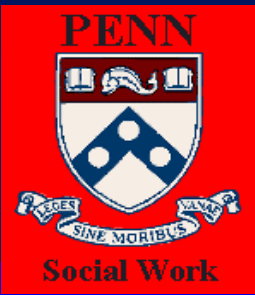


- Extension Services
- GED Programs
- Schools
- Head Start
- Foster Grandparent Program

- ✓ Salvation Army and other Emergency & Short-Term Services
- ✓ Neighborhood & Community Centers
- ✓ Emergency Shelters
- ✓ Soup Kitchens; Rescue Missions

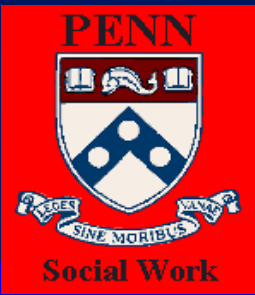


# The Dimensions/ Levels Of Social Capital

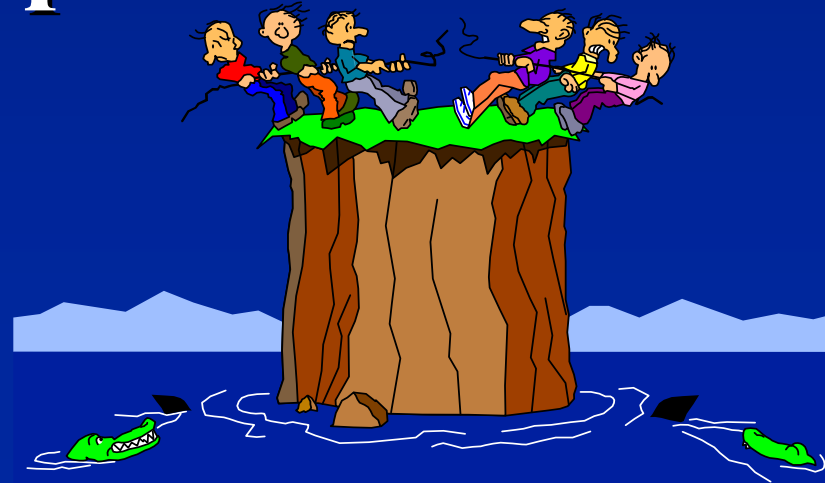


# The Dimensions of Social Capital

- **Much of the literature speaks to different types, even levels, of social capital**
  - Horizontal vs. vertical social capital
  - Bonding (exclusive) vs. bridging (inclusive) social capital
  - Micro vs. macro social capital
- **All three types basically are getting at the same thing, i.e.,**
  - social capital that emerges from cooperative relationships between and among groups of people that share certain features or characteristics in common with one another vs.
  - social capital that emerges from groups of people who differ significantly from one another and who, normally, would not know each other or interact with one another



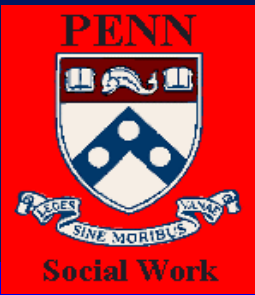
# Horizontal vs. Vertical Social Capital





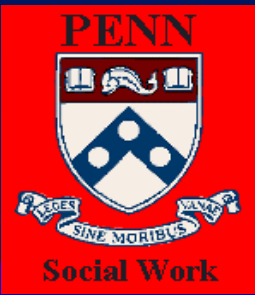
# Horizontal Social Capital

- **Horizontally organized networks are believed to assist the formation of social capital more directly and most efficiently**
- **Achieved mostly through their face-to-face interactions and facilitation of development of mutual trust**
- **Reinforces community sense of identity and common purpose**
- **On the downside, though, horizontal social capital can become exclusive and, thereby, inhibit the “bridging” function between various groups that are essential to the formation of social capital**

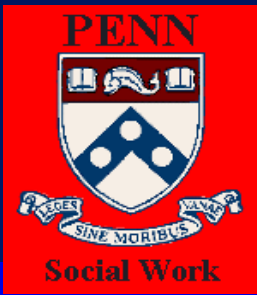


# Vertical Social Capital

- **Vertically organized networks are inherently hierarchical and reflect unequal power (and ownership) relationships between people at different levels of the hierarchy**
- **Vertically organized networks are believed to inhibit social capital formation**
- **According to Putnam, “a vertical network, no matter how dense and no matter how important to its participants, cannot sustain social trust and cooperation” (Putnam et al., 1993:1733-174)**

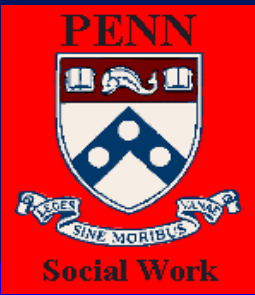


**Bonding**  
**Vs.**  
**Bridging**  
**Social Capital**



# *Bonding* Social Capital

- **Tends to be more inward looking, i.e, focused on strengthening already existing or more “natural” social relationships**
  - Racial/ethnic organizations and associations
  - Religious associations
  - Gender-based groups
  - Regional-based groups
- **Thus, *bonding social capital* strengthens norms of reciprocity and solidarity among people who already share a high level of trust between and among themselves**
- **But, bonding social capital, like horizontal social capital, tends to be exclusive and can undermine integrative goals associated with the larger society**

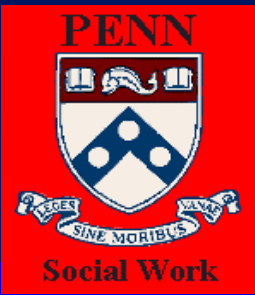


# *Bridging* Social Capital

- *Bridging social capital* is more outward looking
- Promotes social interaction and associations between heterogeneous groups of people, i.e., between people and groups across the usual social divides
- If bonding social capital provides a type of superglue between highly trusted individuals and groups, then, bridging social capital serves as a “social lubricant” between unrelated and, often, unknown groups of people



# How Social Capital Works



# How Social Capital Works

**Putnam (2000:288-290) suggests that social capital works in four ways:**

**1. Allows citizens to resolve collective problems more easily**

- Can more easily confront and solve problems
- Through norms of reciprocity encourage non-actors to become active in the problem-resolution process

**2. Greases the wheels that allows communities to advance smoothly**

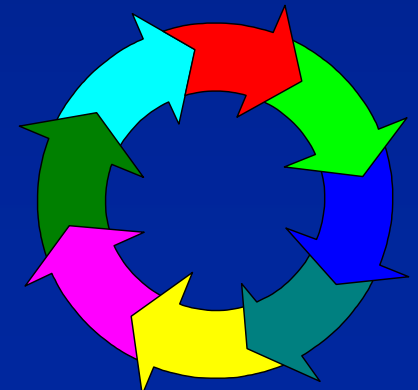
- Trust and trustworthiness are high and, therefore, people more willing to invest their time, talent and energy with others

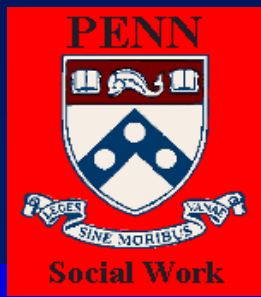




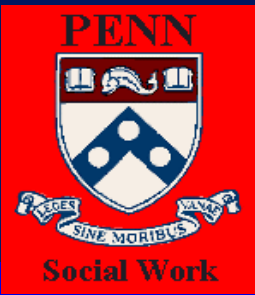
# How Social Capital Works (cont'd)

- 3. Widens awareness of the interdependencies that exist in complex societies**
  - Encourages greater openness and sharing
  - Allows one to embrace rather than fight against the interdependence
  - Allows one to determine the best contribution they can make toward their own well-being and that of others
- 4. Serve as critical conduits for the flow of helpful information**



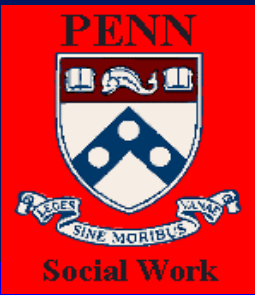


# Factors Associated With Social Capital Formation



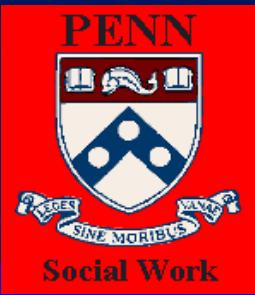
# Factors Associated with Social Capital Formation

Factor	Promotes SC	Inhibits SC	Investigator
Age (bi-directional)	Children, youth, young and middle age adults	Late middle age and older	Glaeser et al., 2000
Education (and other investments in human capital)	Mentoring, job networking, mutual support	Low education, low skills and low investments on the part of employers	Smith, Beaulieu & Seraphine, 1995; Glaeser et al., 2000
Health	Average or good health	Marginal or ill health	Smith, 1997
Changes in family structure	People living in family units	People living alone	Putnam, 1995
Suburban sprawl (physical distances)	Work, shop and leisure activities close to where people live; car-pooling	Long travel time to work, shop and leisure activities	Putnam, 1995; Glaeser et al., 2000; Charles & Kline, 200x



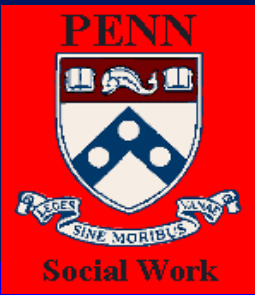
# Factors Associated with Social Capital Formation (cont'd)

Factor	Promotes SC	Inhibits SC	Investigator
Employment	Employed; occupations with greater returns to social skills	Jobless; occupations with lower returns to social skills	Sanders et al., 2002; Glaeser et al., 2000
Labor mobility	Low mobility	High mobility	Schiff, 1999; Glaeser et al., 2000
Home ownership	Ownership (increases investments in local community and reduces labor mobility)	Non-ownership; renting	DiPasquale & Glaeser, 1998; Glaeser et al., 2000
Electronic entertainment	Face-to-face activities in social groups	TV viewing, computers and other activities that promote social isolation	Putnam, 1995
Inter-racial Friendships	Geographic, housing and workplace integration or, at least, proximity	Geographic, housing, and workplace segregation	Briggs, 2002



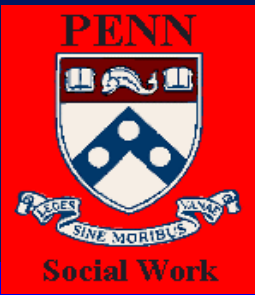
# Factors Associated with Social Capital Formation (cont'd)

Factor	Promotes SC	Inhibits SC	Investigator
Information Technology (bi-directional)	Establishment of electronic-based networks	Technology that has an anonymous and depersonalizing effect—often with relaxed social norms	<u>Positive Effects:</u> Calabrese & Borchert, 1996  <u>Negative Effects:</u> Loeh & Conger, 1996
Confidence in political institutions	Participant; sees relationships between personal actions and sought after societal change	Contrarians; feels no relationship between self and society, i.e., various levels of social anomie	Brehm & Rahn, 1997; Putnam, 1995, 2002
Satisfaction with government and political engagement	Participates in political causes or groups that reflect holders core values or interests	Non-participation in political, advocacy or other types of social change-oriented activity	Putnam, 1993; Fukuyama, 1995




# Types of Organizations That Advance Social Capital (Estes, 2003)

	Micro SC (Cognitive/Structural)	Macro SC (Political/Social)
<b>Bonding/ Horizontal SC</b>  (tendency toward exclusivity)	<b>Type 1</b> ➤ Self help groups ➤ PTA ➤ Civic associations ➤ Burial societies ➤ Informal education groups	<b>Type 2</b> ➤ Cultural associations ➤ Nationality groups ➤ Regional associations
<b>Bridging/ Vertical SC</b>  (tendency toward exclusivity)	<b>Type 3</b> ➤ Credit unions ➤ Cooperatives ➤ Social insurance funds	<b>Type 4</b> ➤ Political parties ➤ Political Associations ➤ Advocacy groups ➤ International Organizations



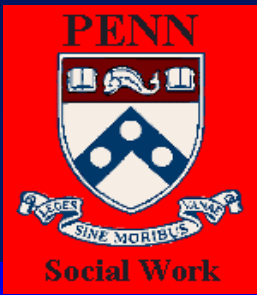
# The Benefits/Costs Of Social Capital

Four large, 3D-style red arrows with dark red outlines. One arrow points upwards, one points downwards, one points to the left, and one points to the right, all originating from a central point behind the text.



# The Benefits of High Social Capital (OECD, 2001)

- **Higher rates of economic growth**
  - Trust encourages more effective use of credit
  - Cooperative attitudes within firms are linked to higher output and profitability
  - Regional clusters of innovative industries depend on local social networks to spread and share tacit knowledge
- **Higher educational achievement**
- **Better health, including mental health**
- **Enhanced child development including:**
  - lower rates of child abuse and neglect



# The Benefits of High Social Capital (cont'd)

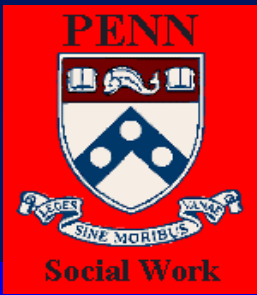
- **Lower crime rates**
  - Safer streets
- **Higher employment levels combined with increase job stability**
  - Social networks help people find jobs
- **Improved government and public governance**
- **Cleaner public spaces**
- **Friendlier people**



# The “Down Side” to Social Capital

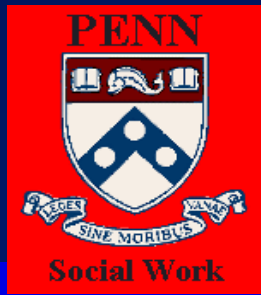
- **Most negatives are associated with dense horizontal patterns of social capital**
  - Exclusivity
  - Exclusion
  - Control over those not in agreement with dominant norms
- **Can be used to both promote and sustain inequality, especially in vertical relationships**



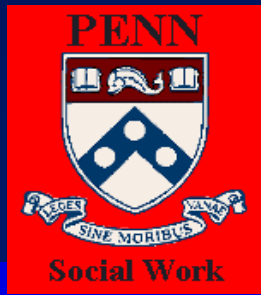


# Other “Costs” Associated With Higher Levels of Social Capital

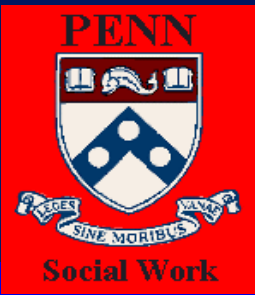
- **Most of the downside are associated with horizontal social capital, i.e., relationships that lead to exclusivity and subordination of “out groups” rather than inclusivity**
  - The emergence of tribes, clans, religious associations, etc. that reward insiders and discriminate against outsiders
- **Very powerful horizontally organized social capital can be used to persecute those on the “outside:**
  - Ku Klux Klan, fraternities, unions, advocacy groups
- **Can result on excessive demands on those with many and deep social networks**
- **Can erode sense of confidence individual feels in her/his own capacity to achieve objectives**



# Selected Issues in Social Capital



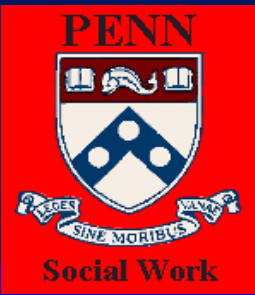
# Poverty and Social Capital



# Poverty and Social Capital

## Important to note:

- **Social capital theory suggests there is no necessary relationship between poverty, crime, and social deterioration**
- **Rather, the relationship is between low social capital and poverty, crime, and social deterioration**
- **In poor communities with high stocks of social capital, crime and social deterioration can be kept to a minimum**
  - **Reason: people work to keep their community safe and clean—for themselves as social units and, through relationships with others, as a collectivity**



# Poverty and Social Capital (cont'd)

- For the poor, social capital can be used as a substitute for physical and financial capital and, in some cases, for human capital (Collier, 1998)
  - This is especially true in societies where “who you know” is more important than “what you know”
- Narayan & Pritchett (1997) study of social capital in 87 villages in Tanzania found that:
  - social capital is indeed both “capital” (in that it raises incomes) and
  - “social” (in that household incomes depend on village, not just household, social capital)



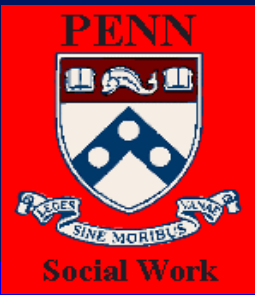
# The Public-Private Mix and Social Capital



# The Public-Private Mix

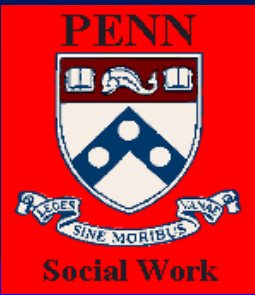
The challenges are several and are complex; at their root most center on *vertical* and *bridging* forms of social capital

- How to ensure that the *public sector retains responsibility* for public social needs and problems
  - Must limit extent of devolution of responsibility from higher to lower levels of government
  - Must ensure that legitimate public sector activities and functions are not inappropriately privatized (especially commercialized)
- How to negotiate the extraordinarily complex, often difficult, relationships that exist between various levels of government
  - Status differential
  - Control over discretionary budgets (esp. Fed > State > Local governments)
  - Unfunded mandates



# The Public-Private Mix (cont'd)

- **How to develop *co-equal partnerships* between public and private sectors**
  - Requires new attitudes and roles on the part of both sectors
  - Position must be as co-producers of effective interventions not controllers or implementers
- **How can private entities receive public financial support and *retain their private identities***
  - Faith-based initiatives receiving public support
  - Ditto for other groups with highly specialized, but controversial functions, i.e., those engaged in family planning or serving sexual minority populations



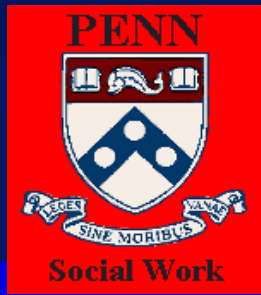
# The Public-Private Mix (cont'd)

- **How to engage *animated citizen groups* in the active public-private mix**
  - Citizens groups cannot merely be observers or advisors
  - Along with public sector and large NPO, citizens groups must be understood to be co-producers and, thus, partners in all aspects of policy making, implementation and revision
- **How to engage “clients” and other beneficiaries of public and private services in the planning and implementation of program/service initiatives?**
  - Again, the issues revolve around autonomy, linkage, and authority—all essential to increasing the yield from social capital investments
  - Clients and beneficiaries, too, must be viewed as co-producers of such programs and services



# The Public-Private Mix (cont'd)

- **Paradoxically, the current high level of enthusiasm in each of the above areas is occurring at the same time as the state is in retreat under globalization**
  - Devolution of responsibility for “public” issues from the center to more peripheral levels of government
    - » Welfare > workfare
  - Privatization--and commercialization--of functions (and agencies) previously thought to be exclusively public
    - » Post office; Prisons; AMTRAK
    - » Possibly, school voucher programs by weakening local and “community-specific social capital” (Fischel, 2000)
  - Unfunded federal and increasingly state mandates for new or expanded services and functions at the local level
- **And humbling, too, the enormous complexity of bringing about much needed structural change**
  - Structural poverty; Family structure; Racism

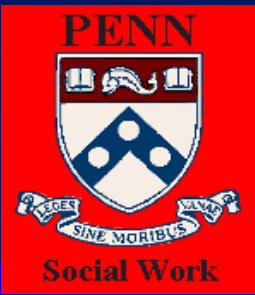


# Implications for Social Work Theory & Research



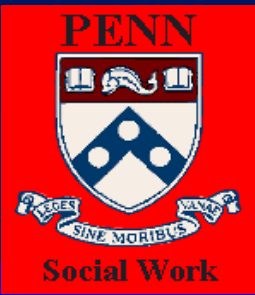
# Social Work and Social Capital

- **The subtitle of this presentation is “old wine in new bottles?”**
- **Indeed, much of what I have summarized about social capital already is very familiar**
- **Social work is a profession of social entrepreneurs and social capitalists, albeit we have been reluctant to apply such terms to ourselves**
  - Perhaps terms like “innovative,” “resourceful,” etc. are more acceptable but they, too, are terms taken from our home grown capitalist ideologies



# Social Work and Social Capital (cont'd)

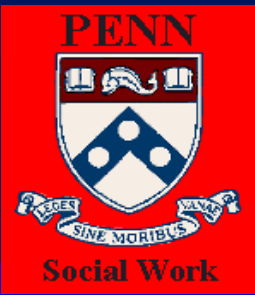
- In any case, we have built social institutions and the complex network that we call “social welfare” using the very principles (and values) attributed to social capital:
  - Networks
  - Norms of reciprocity
  - Trust
- And the entrepreneurial spirit continues to be alive and well in social work and social welfare—bureaucrats and bureaucratic behavior notwithstanding
- But much also is new in the social capital concept and it does add measurably to both our conceptual and intervention base



# Social Work and Social Capital (cont'd)

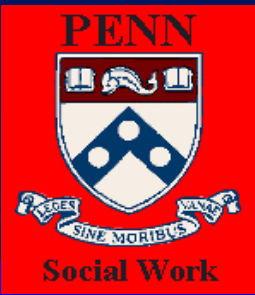
The most important contribution of “social capital” to social is the theory-based nature of the concept itself, i.e.,

- It describes a phenomenon of considerable interest to us
  - the nature and strength of social relatedness between and among people living in societies of varying degrees of complexity
- It explains the dynamics that inform this phenomenon
  - varying levels of investment in social networks, norms of reciprocity and trust
- It predicts certain outcomes
  - civic engagement, political equality, solidarity, trust and tolerance
- Lends itself to control/influence through intervention
  - Social experimentation in new approaches to the public-private mix, innovations in service delivery



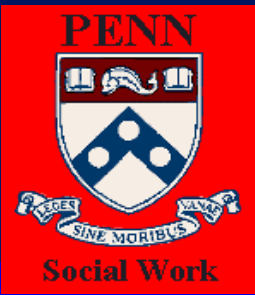
# Social Work and Social Capital (cont'd)

- **The concept also has attracted broad interest and involvement on the part of social science disciplines that rarely are able to sustain cooperation on a single concept for very long**
  - Economists; Political scientists; Sociologists; Anthropologists; Social workers
- **Since just the early 1990s the concept has stimulated the development of an extraordinary amount of theoretical and empirical work**
  - all too rare in any of the social science disciplines and especially rare in interdisciplinary social science research



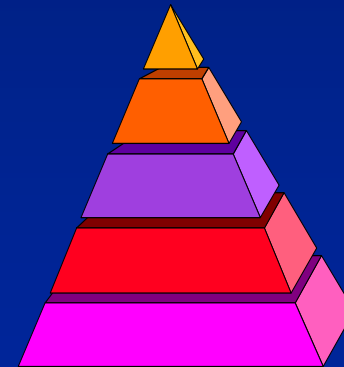
# Social Work and Social Capital (cont'd)

- Social capital fits comfortably in our own conceptual framework as a profession and, indeed, enriches work that already has been done
- Social capital is relevant for both direct and macro practice
- Social capital is especially useful in framing the developmental nature of contemporary social work practice (both at home and abroad)



# Levels of Developmental Social Work Practice

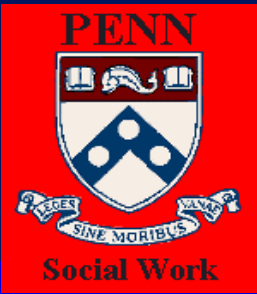
- Individual & Group Empowerment
- Conflict Resolution
- Institution-Building
- Community-Building
- Nation-Building
- Region-Building
- World-Building





# Social Capital and Social Work Practice (cont'd)

- Social workers at all levels of practice can feel comfortable in embracing the premises, goals and methods associated with social capital formation
- “old wine in new bottles?”...no, not really?
- Social capital, as a concept and approach, reflects a more conceptually integrated approach for both understanding and promoting social solidarity than has existed in the past



# DISCUSSION