Definition, Purpose, and Analysis of Social Capital

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**Definition #1**

Social capital is “the institutions, relationships, and norms that shape the quality and quantity of a society’s social interactions” (World Bank, 2000).

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Definition #2

Social capital refers to those stocks of social trust, norms and networks that people can draw upon to solve common problems. (Networks) facilitate coordination and communication, and thus create channels through which information about the trustworthiness of other individuals and groups can flow, and be tested and verified” (Civic Practices Network, 2000).

Definition #3

Social capital is “___ the mutual relations, interactions, and networks that emerge among human groups, as well as the level of trust (seen as the outcome of obligations and norms which adhere to the social structure) found within a particular group or community. There is an implicit understanding that social capital will be useful for enhancing some other feature such as learning, social mobility, economic growth, political prominence, or community vitality”(Wall, Ferrazzi & Schryer, 1998:304).

Economic Perspective

- Investment in human capital as the way out of poverty and depravation for individuals.
- Building up individual skills through education and job training should enable people to find employment and improve their economic standing.
- Social conditions have a powerful effect on individual’s ability to access human capital development opportunities and make use of them.
- Social factors affect the ability of parents to receive a quality education and to find stable employment.
- These same conditions inhibit their children’s ability to improve their own living conditions.
• This requires formation of community social conditions that significantly shape opportunities for employment and quality of life improvements.

  Robert Putnam

• Social capital is a product of group-based interactions of people in a community.

• As people encounter each other through community group participation they build up a community identity, establish community norms, learn to trust each other, and commit to providing benefits for each other.

• This establishes a strong civic consciousness that leads to high levels of political participation, responsive government, and economic development.

• Thus, social capital, like financial capital, is a resource that is drawn upon by a community to “purchase” community cohesion.

  Amartya Sen

• Poverty is most appropriately viewed in terms of the absence or limited access to opportunities for human development rather than merely as low income which is the standard criterion of identification of poverty.

• Poverty is the deprivation of social arrangements and community relations such as medical coverage, public health care, school education, law and order, prevalence of violence and other “freedoms.”

• The life expectancy of African-American males is significantly lower than males in less economically developed countries (China and Kerala, India) because of inadequate social support systems and opportunities.

Types of Collaboration

• Simple: Direct cooperation between a government agency and the private sector through contracts and grants.

• Complex (traditional): Cooperation among multiple levels (federal/state/local) of government with the private sector for particular projects and goals.

• Complex (new): Multi-stakeholder partnerships that include government, businesses, social service care providers, religious institutions, education, health care, NGOs, etc.
Welfare Reform

- The Temporary Assistance to Needy Families (TANF) program under the Personal Responsibilities and Work Opportunities Act of 1996 has dramatically altered the conceptual framework for social services.

- Responsibility on the individual for getting off of welfare, the system of supportive income and social services has shifted from the federal government to a collaboration consisting of a mixture of public/private, state-local government, and community-family networks at the local level.

- Increased efforts by state and local social service agencies to work with individuals, families, social service providers, law enforcement among others to increase broad participation in decisions and strategies that lead to self-sufficiency. This process actively engages individual welfare recipients who are most affected by reforms in a collaborative process.

Empowerment Zone & Enterprise Community

- Facilitate local economic development under the Department of Agriculture’s National Rural Development Partnership (NRDP).

- Eligibility is based on the community’s ability to demonstrate a high level of cooperation and solidarity among multiple sectors of the community.

School-to-Work

- Federal assistance to states for development and implementation of statewide systems that respond to regional economic conditions and labor requirements.

- Designed for systemic change that fosters collaboration and new models of partnering among employers, labor, community groups, educators, professionals, civic leaders, parents, and students at the local level.

Concerns and Risks

- Social exclusion of certain populations when participation in a collaboration is restricted.

- Lack of transparency in collaborations which are not accountable to a board of directors composed of a broad spectrum of the community or region.

- Unrealistic expectations from communities or regions which have inadequate material resources or are restricted by barriers related to culture, history, marginal education (literacy and skills).
• Risk of collaborations being dominated by political elite or powerful (and unrepresentative) groups.

BONDING SOCIAL CAPITAL

• Strong ties connecting family members, neighbors, close friends, and business associates.

BRIDGING SOCIAL CAPITAL

• Horizontal connections to people with broadly comparable economic status and political power.

LINKING SOCIAL CAPITAL

• Vertical ties between poor people and people of influence in organizations. Critical to developing a sustainable social capital approach as it address the problem of exclusion (by overt discrimination or lack of resources) from the places where major decisions relating to welfare are usually made.

References


