

**Chapter 1 : EconPapers: Understanding and Measuring Social Capital: A Multidisciplinary Tool for Practitioners**

*Social Capital Initiative Working Paper No. 24 UNDERSTANDING AND MEASURING SOCIAL CAPITAL: A SYNTHESIS OF FINDINGS AND RECOMMENDATIONS FROM THE SOCIAL CAPITAL INITIATIVE.*

Background[ edit ] The term social capital was in intermittent use from about 1800, before becoming widely used in the late 19th century. He observed that Americans were prone to meeting at as many gatherings as possible to discuss all possible issues of state, economics, or the world that could be witnessed. The high levels of transparency caused greater participation from the people and thus allowed for democracy to work better. The French writer highlighted also that the level of social participation social capital in American society was directly linked to the equality of conditions Ferragina, ; ; I do not refer to real estate, or to personal property or to cold cash, but rather to that in life which tends to make these tangible substances count for most in the daily lives of people, namely, goodwill, fellowship, mutual sympathy and social intercourse among a group of individuals and families who make up a social unit. If he may come into contact with his neighbour, and they with other neighbours, there will be an accumulation of social capital, which may immediately satisfy his social needs and which may bear a social potentiality sufficient to the substantial improvement of living conditions in the whole community. The community as a whole will benefit by the cooperation of all its parts, while the individual will find in his associations the advantages of the help, the sympathy, and the fellowship of his neighbours pp. John Dewey used the term in his monograph entitled "School and Society" in 1900, but he offered no definition of it. Jane Jacobs used the term early in the 1960s. Although she did not explicitly define the term social capital, her usage referred to the value of networks. Sociologist Pierre Bourdieu used the term in his Outline of a Theory of Practice, [6] and clarified the term some years later in contrast to cultural, economic, and symbolic capital. The concept that underlies social capital has a much longer history; thinkers exploring the relation between associational life and democracy were using similar concepts regularly by the 19th century, drawing on the work of earlier writers such as James Madison The Federalist Papers and Alexis de Tocqueville Democracy in America to integrate concepts of social cohesion and connectedness into the pluralist tradition in American political science. John Dewey may have made the first direct mainstream use of social capital in The School and Society in 1900, though he did not offer a definition. The power of community governance has been stressed by many philosophers from antiquity to the 18th century, from Aristotle to Thomas Aquinas and Edmund Burke Bowles and Gintis, Such a set of theories became dominant in the last centuries, but many thinkers questioned the complicated relationship between modern society and the importance of old institutions, in particular family and traditional communities Ferragina, They observed a breakdown of traditional bonds and the progressive development of anomie and alienation in society Wilmott, In the words of Stein The appearance of the modern social capital conceptualization is a new way to look at this debate, keeping together the importance of community to build generalized trust and the same time, the importance of individual free choice, in order to create a more cohesive society Ferragina, ; [20] Ferragina, [21]. It is for this reason that social capital generated so much interest in the academic and political world Rose, Robert Putnam has used the concept in a much more positive light: Mahyar Arefi [25] identifies consensus building as a direct positive indicator of social capital. Consensus implies "shared interest" and agreement among various actors and stakeholders to induce collective action. Collective action is thus an indicator of increased social capital. Edwards and Foley, as editors of a special edition of the American Behavioural Scientist on "Social Capital, Civil Society and Contemporary Democracy", raised two key issues in the study of social capital. First, social capital is not equally available to all, in much the same way that other forms of capital are differently available. Geographic and social isolation limit access to this resource. Second, not all social capital is created equally. The value of a specific source of social capital depends in no small part on the socio-economic position of the source with society. On top of this, Portes has identified four negative consequences of social capital: Three main implications of intercommunal ties explain their worth: Facilitate communication in the community across ethnic lines Squelch false rumors Help the administration carry out its job and in particular peace, security and justice This is a useful distinction; nevertheless its

implication on social capital can only be accepted if one espouses the functionalist understanding of the latter concept. Indeed, it can be argued that interethnic, as well as intra-ethnic networks can serve various purposes, either increasing or diminishing social capital. In fact, Varshney himself notes that intraethnic policing equivalent to the "self-policing" mechanism proposed by Fearon and Laitin [29] may lead to the same result as interethnic engagement. Social capital is often linked to the success of democracy and political involvement. Putnam, in his book *Bowling Alone* makes the argument that social capital is linked to the recent decline in American political participation. This framework has been rediscussed by considering simultaneously the condition of European regions and specifically Southern Italy Ferragina; Ferragina, Thomas Sander [32] defines it as "the collective value of all social networks who people know, and the inclinations that arise from these networks to do things for each other norms of reciprocity. It "creates value for the people who are connected, and for bystanders as well. Social capital has been used at various times to explain superior managerial performance, [37] the growth of entrepreneurial firms, [38] improved performance of functionally diverse groups, [39] the value derived from strategic alliances, [40] and enhanced supply chain relations. Early attempts to define social capital focused on the degree to which social capital as a resource should be used for public good or for the benefit of individuals. Putnam [42] suggested that social capital would facilitate co-operation and mutually supportive relations in communities and nations and would therefore be a valuable means of combating many of the social disorders inherent in modern societies, for example crime. In contrast to those focusing on the individual benefit derived from the web of social relationships and ties individual actors find themselves in, attribute social capital to increased personal access to information and skill sets and enhanced power. He defines social capital as "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 thus points out that the wealthy and powerful use their "old boys network" or other social capital to maintain advantages for themselves, their social class, and their children. James Coleman defined social capital functionally as "a variety of entities with two elements in common: Putnam says that social capital is declining in the United States. This is seen in lower levels of trust in government and lower levels of civic participation. Putnam believes that social capital can be measured by the amount of trust and "reciprocity" in a community or between individuals. This offered a reference point from which several studies assessed social capital measurements by how media is engaged strategically to build social capital. Social capital is formed by repeated interactions over time and he argues is critical for development and difficult to generate through public policy. The importance of social capital for economic development is that these norms of behavior reduce transaction cost of exchange such as legal contracts and government regulations. Fukuyama suggests that while social capital is beneficial for development, it also imposes cost on non-group members with unintended consequences for general welfare. However, Fukuyama argues despite the risk of society having too much social capital, it is nonetheless worse to have too little and be unable to organize for public goods and welfare enhancing activity. Nahapiet and Ghoshal in their examination of the role of social capital in the creation of intellectual capital, suggest that social capital should be considered in terms of three clusters: This is best characterized through trust of others and their cooperation and the identification an individual has within a network. Hazleton and Kennan [53] added a third angle, that of communication. Communication is needed to access and use social capital through exchanging information, identifying problems and solutions, and managing conflict. According to Boisot [54] and Boland and Tenkasi, [55] meaningful communication requires at least some sharing context between the parties to such exchange. The cognitive dimension focuses on the shared meaning and understanding that individuals or groups have with one another. Portes, for example, noted that the term has become so widely used, including in mainstream media, that "the point is approaching at which social capital comes to be applied to so many events and in so many different contexts as to lose any distinct meaning. In addition, they argue that many proposed definition of social capital fail to satisfy the requirements of capital. They propose that social capital be defined as "sympathy". Those who have sympathy for others provide social capital. One of the main advantages of having social capital is that it provides access to resources on preferential terms. Their definition of sympathy follows that used by Adam Smith, the title of his first chapter in the "Theory of Moral

Sentiments. While studying norms among African-American family firms and Euro-American family firms, Lester noted that negative social capital was created when the owner of the company was pressured to engage in social behavior not conducive to firm profits. Social Capital Theory gained importance through the integration of classical sociological theory with the description of an intangible form of capital. In this way the classical definition of capital has been overcome allowing researchers to tackle issues in a new manner.

Ferragina, Individuals can exploit social capital of their networks to achieve private objectives and groups can use it to enforce a certain set of norms or behaviors. However, the analogy with capital is misleading to the extent that, unlike traditional forms of capital, social capital is not depleted by use; [61] in fact it is depleted by non-use use it or lose it. In this respect, it is similar to the now well-established economic concept of human capital. Social capital is also distinguished from the economic theory social capitalism. Social capitalism as a theory challenges the idea that socialism and capitalism are mutually exclusive. Social capitalism posits that a strong social support network for the poor enhances capital output. By decreasing poverty, capital market participation is enlarged.

Sub-types[ edit ] In *Bowling Alone: We should do this, ironically, not because it will be good for America* " though it will be " but because it will be good for us. Aldrich , Associate Professor at Purdue University, describes three mechanisms of social capital. Aldrich defines the three differences as bonding, bridging, and linking social capital. Bonding capital are the relationships a person has with friends and family, making it also the strongest form of social capital. Bridging capital is the relationship between friends of friends, making its strength secondary to bonding capital. Linking capital is the relationship between a person and a government official or other elected leader. Aldrich also applies the ideas of social capital to the fundamental principles of disaster recovery, and discusses factors that either aid or impede recovery, such as extent of damage, population density, quality of government and aid. He primarily examines Japanese recovery following the Fukushima nuclear meltdown in his book *"Building Resilience: Social Capital in Post-Disaster Recovery*. Bonding refers to the value assigned to social networks between homogeneous groups of people and Bridging refers to that of social networks between socially heterogeneous groups. Typical examples are that criminal gangs create bonding social capital, while choirs and bowling clubs hence the title, as Putnam lamented their decline create bridging social capital. Horizontal networks of individual citizens and groups that enhance community productivity and cohesion are said to be positive social capital assets whereas self-serving exclusive gangs and hierarchical patronage systems that operate at cross purposes to societal interests can be thought of as negative social capital burdens on society. Social capital development on the internet via social networking websites such as Facebook or Myspace tends to be bridging capital according to one study, though "virtual" social capital is a new area of research. These are consummatory, or a behavior that is made up of actions that fulfill a basis of doing what is inherent, and instrumental, or behavior that is taught through ones surroundings over time. Value interjection pertains to a person or community that fulfills obligations such as paying bills on time, philanthropy, and following the rules of society. People that live their life this way feel that these are norms of society and are able to live their lives free of worry for their credit, children, and receive charity if needed. Coleman goes on to say that when people live in this way and benefit from this type of social capital, individuals in the society are able to rest assured that their belongings and family will be safe. The main focus of these thinkers was the urban working class of the Industrial Revolution. They analyzed the reasons these workers supported each other for the benefit of the group and held that this support was an adaptation to the immediate social environment, as opposed to a trait that had been taught to the workers in their youth. All forms of "capital" were, for Marx, possessed only by capitalists and he emphasized the basis of labour in capitalist society, as a class constituted by individuals obliged to sell their labour power , because they lacked sufficient capital, in any sense of the word, to do otherwise. Marx saw "social capital" as a theoretical total amount of capital, purely in the sense of accumulated wealth or property, that existed within in a particular society. He thereby contrasted it with specific and discrete "individual capital". The basis of the category of social capital is that an individual who donates his or her resources not because he is seeking direct repayment from the recipient, but because they are part of the same social structure. By his or her donation, the individual might not see a direct repayment, but, most commonly, they will be held by the society in greater honor.

**Chapter 2 : Social capital - Wikipedia**

*Understanding and measuring social capital - a multidisciplinary tool for practitioners (English) Abstract. The importance of social capital for sustainable development, is by now well recognized.*

**Chapter 3 : Understanding and measuring social capital - a multidisciplinary tool for practitioners**

*The Social Capital Project is a documentation of our journey to explore the academic concept of social capital and its applications in business, networking and current events. We're using our own social networks to add contributors with unique insights.*

**Chapter 4 : Understanding and Measuring Social Capital : A Multidisciplinary Tool for Practitioners**

*The importance of social capital for sustainable development is well understood. However, the impact of social capital is not easily quantified and to overcome this, the Social Capital Initiative at the World Bank attempts to contribute to this understanding by concentrating on how to measure social capital and its impact.*

**Chapter 5 : Understanding and Measuring Social Capital: A Multidisciplinary Tool for - Google Books**

*Understanding and measuring social capital - a multidisciplinary tool for practitioners (English) Abstract. The importance of social capital for sustainable development, is by now well recognized.*