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Research

Social capital – a potentially useful concept for the voluntary, community and social enterprise sector?

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Introduction

Social capital is a concept that has enjoyed considerable popularity with policymakers across the political spectrum since the publication of Robert Putnam's *Bowling Alone*. As a concept that tries to make explicit the benefits of human sociability it makes sense for most people at an intuitive level. However, the very fact that it taps into beliefs about what is right and good, similarly to how everything labelled community is automatically perceived to be right and good, leads to an incomplete understanding of what social capital actually is. For example, it is often equated with other assets that are not financial, which is why it is often confused with human capital, i.e. educational qualifications and degrees.

The fact that it is so popular points to its usefulness: it potentially helps us to articulate aspects of value that are not readily captured by monetary or economic measures. Especially in the voluntary, community and social enterprise (VCSE) sector, there is often the sense that what the sector contributes is too easily overlooked by dominant definitions of value. As such, GMCVO thinks that social capital might be a useful concept for the VCSE sector to be more aware of. GMCVO considers the concept particularly useful when it comes to articulating the added value VCSE organisations generate.

Development of the concept

The concept has been developed by three main theorists, Robert Putnam, James Coleman and Pierre Bourdieu:

- Social capital for Putnam consists in largely geographically based social networks and the trust and norms of reciprocity they inspire.
- Coleman sees obligation, trust, information channels, norms and sanctions as forms of social capital. He proposes the idea that individuals calculate the potential costs and benefits of their decisions by taking into account the ways in which they are connected to other individuals and the extent to which these other individuals are connected to each other. Social capital is a public good that is a by-product of fundamentally egoistic decisions about competing options.
- Finally, Bourdieu sees social capital as relationships that individuals consciously invest in with a view to future benefit. However, their ability to set aside the time and resources that are required to do this means that their success in the acquisition of social capital ultimately depends on their socio-economic position. A person's social capital is the sum of their relationships and the resources that are available through these relationships.

Misunderstandings about social capital often focus on two main ideas: firstly, that social capital is entirely independent of socio-economic conditions and hence a resource even disadvantaged communities can have access to and, secondly, that social capital is largely a good thing. As the short overview of the three main theoretical positions above shows, the concept itself is contested. In addition, there is an ongoing debate, informed by empirical evidence, about which types of social capital are beneficial for what ends.

While the three approaches above are all concerned with social relationships in some shape or form, beyond this there is much debate about such issues as how to evidence social capital, the potential benefits of social capital and which types of social capital are most beneficial in

what circumstances. For a more in-depth discussion of the three approaches, please refer to the full briefing¹.

Social capital and community-based work

Social capital's relevance for the VCSE sector is potentially manifold and goes beyond the ability to articulate an organisation's contribution. Clarity about the role of social capital could help with understanding operational issues, such as how to reach those that stand to benefit most from a given service, how to ensure that provision is accessible to all, how to ensure that volunteers are involved in a meaningful way and how to help beneficiaries with forging the relationships they need. It is also a concept that might explain why initiatives are successful in some areas whilst having difficulty getting off the ground in others.

However, in order for the concept to become useful a nuanced understanding of it is necessary. A good start is a differentiation of types of social capital. In the literature, three types have been identified: bonding, bridging and linking. These types can often not be distinguished neatly from each other, but understanding the general thrust of each helps in understanding the facets of the concept.

Bonding social capital

Bonding social capital, also sometimes referred to as strong ties, consists in relationships between people who perceive themselves to be similar. This is typical of friendship and familial relations, but it could also be present in closely-knit organisations and groups that are primarily inward looking and do not readily welcome new members.

There is an often romanticised view of the type of social capital that typically prevails in more traditional working class neighbourhoods, a social capital that is rich in face-to-face relations, which inspire a level of trust and reciprocity. People in such neighbourhoods are said to look out for each other and this is precisely the type of arrangement that policy ideas like the Big Society may have had in mind. This could be seen as an example for bonding social capital.

However, many authors have pointed out that there is a downside to this type of social capital. According to Putnam, for example, although bonding social capital is good for inspiring a sense of solidarity and belonging, it can also have a "dark side", generating insularity, stagnation, claustrophobia and even what he calls 'illiberal effects'. In a VCSE sector context, provision that is not seen as inclusive and accessible could be characterised by the presence of a lot of bonding social capital. This might alienate people who are perceived by themselves or others to be in a minority. Potential service users might not recognise the provision as being "for them", because they see existing service users as dissimilar to themselves. Individuals who are part of bonded groups themselves may refrain from accessing certain VCSE sector offers because other group members would not look upon such a move favourably. Furthermore, a community that had a number of tightly-knit groupings would not be seen as very cohesive, unless there were individuals and/or organisations that serve as bridges between these insular groups.

Bridging social capital

It is this bridging social capital, also referred to as weak ties, that is credited with helping to further community cohesion. Bridging social capital is also associated with groups composed of individuals who perceive each other to be dissimilar, potentially leading to a mind-set that is

¹ Martikke, S. (2017) Social Capital – an Overview. Manchester: GMCVO.

inclusive and outward looking. An additional potential benefit of bridging social capital is access to new information or resources.

In a neighbourhood such as that described above, for example, bonding social capital is highly likely to constrain individual residents to courses of action that are tried and tested. Such relations have been blamed for being ineffective at best and detrimental at worst for individuals' ability to improve their situation, for example by hampering individuals' job search. Nevertheless, it is not as simple as it sounds, because other studies have shown that it is a combination of the two types of capital that may help people in their job search.

Linking social capital

Finally, linking social capital is a type of social capital that is intended to signify relationships between individuals/groups who are dissimilar and also occupy different positions in the social hierarchy. This is potentially relevant for a VCSE organisation's ability to draw down funding, thanks to their relationships to funders and policymakers. However, it could also be relevant for understanding relationships between service users and those who deliver a service. Linking social capital thus takes into account notions of power and hierarchy.

Conclusion

As this overview has tried to show, VCSE organisations could benefit from developing a better understanding of social capital. In light of this, GMCVO is utilising ongoing project delivery to explore the concept practically. GMCVO is also sponsoring an ESCR-funded Case Studentship in collaboration with the University of Manchester, whose main subject is social capital. This briefing is an output of this studentship, which is entitled "Social Capital at Work? The Role of Community Hubs in Urban Neighbourhoods". Further briefings will follow in future. For a longer and more in-depth version of the present briefing, please go to the GMCVO website and search for "Social Capital – an Overview".