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ARTICLES

Social Capital: the politico-emancipatory potential of a disputed concept

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ABSTRACT *Since the middle of the 1990s the concept of social capital has provoked rapidly growing interest. Social theorists, policy makers and those NGOs working on the edge of theory and practice became fascinated with social capital. International organisations like the World Bank, UNDP and the OECD upgraded social capital to the 'missing link' in understanding (under)development. However, it did not take long before the critique cast shadows on this euphoria. Initially the critique was concerned with problems of defining and measuring social capital and its inadequate theoretical elaboration. In a later stage the critique accused social capital of forming part of the anti-politics machine of the post-Washington consensus. Social capital would reflect a point of view in which there was no room for an analysis of power inequality and struggle over access to resources. This article starts with an overview of the most important problems attached to the notion of social capital. The focus is then shifted to the contours of the global political crisis, which acts as a frame of reference for an attempt to reassess the politico-emancipatory potential of social capital.*

Since the middle of the 1990s the concept of social capital has provoked rapidly growing interest, rivalling even globalisation in popularity.[1] Social theorists, policy makers and those NGOs working on the edge of theory and practice became fascinated with social capital. One might wonder what attraction the concept of social capital could hold for those who were already familiar with the idea that social networks played an important role in understanding certain social phenomena. The quick answer would be that social capital became associated with the emergence of new types of questions after the end of the Cold War, such as why some democracies function better than others and how, given the globalisation of production factors, transnational corporations currently find their competitive edge in specific regions. At the same time it was seen as providing new answers to old questions, such as why certain countries or regions experience a higher degree of economic growth than others similarly endowed with other forms of capital (physical, economic and human). Its rising popularity is also partly the result of a growing idea among certain economists that there is

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more to understanding economics than calculating collective effects generated by rational economic behaviour of individual consumers and producers. A new breed of economic sociologists uses social capital in the effort to explain that economics is more embedded in social structure than hitherto given credit for in economic theory.

Social capital also became popular as an explanatory variable in other branches of the social sciences. Educational sociologists used social capital to explain (as James Coleman put it) why some kids do better at school than others; criminologists referred to social capital to explain why crime rates in some neighbourhoods are lower than in others; social and community psychologists used social capital in relation to income inequality to explain differences in mortality rates[2]; development experts used social capital (as in some of the cases presented above) to examine why and how some development projects fail or succeed; and the worryingly slow pace of democratisation in the former Eastern Europe was taken to be partly the result of a general lack of social capital, which was not facilitated under communist regimes.

The list of social issues which became directly or indirectly linked to social capital grew rapidly. Among its most enthusiastic supporters it was commonly accepted that social capital provided, perhaps not the most important explanatory variable, but at least the 'missing link' (Harris & de Renzio, 1997; Grootaert, 1998). In certain circles within the World Bank, the UNDP and the OECD social capital was seen as the missing link to explain why certain countries have higher scores on development indicators than others. The World Bank even started a special website with background information and articles on social capital.[3]

In academic as well as in policy-oriented research into Third World problems the concept of social capital is increasingly forming part of either the explanandum or the explanatory framework. By now it has been effortlessly incorporated into research on urban and rural livelihood strategies, micro-credit issues, public–private partnerships in service delivery, community networks and AIDS orphans, local politics, and so on. However, it did not take long before a critique cast shadows on the initial euphoria over having found the 'missing link' in processes of (under)development. Initially the critique concerned itself above all with problems of defining and measuring social capital but increasingly severe doubts were uttered with respect to its implicit and explicit axiological connotations as well as its continued inadequate theoretical elaboration. From a politico-emancipatory point of view this led to a vision that the use of social capital in either academic and/or policy-oriented research involved in fact a denial of the importance of power inequality and struggle over resources. As such, the idea of social capital would not contribute to emancipatory projects from the perspective of radical democracy. In a recent publication, for example, John Harriss (2002: 120) warns against the usage of social capital as it is 'consistent with the neo-liberal agenda of reducing the role of the state, partly in order to make possible large cuts in public expenditure'. According to Harriss, social capital is a fine example of what James Ferguson (1990) once baptized as 'anti-politics machine'.

The question which this article addresses is whether from a politico-emancipatory perspective the concept of social capital can be effectively used in

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development-oriented research. Before answering the question I will first present a short genealogy of the concept, followed by an overview of its problems and pitfalls, as outlined in the social capital literature. This will be done specifically from a politico-emancipatory perspective.

The origins of 'the missing link'

The publication which ignited the popularity of social capital was Robert Putnam's *Making Democracy Work* (1993). In explaining the differences between northern and southern Italy in terms of efficiency and transparency of regional governments, Putnam zoomed in on what he called civic virtue, not unlike de Tocqueville's attempt to explain the dynamics of democracy in the USA in the 19th century, by relating it to the density of social organisations in civil society. If a social structure characterised itself by co-operation, solidarity and trust between citizens then this would reflect positively in the quality of the government that these citizens chose. In elaborating this Tocquevillean approach Putnam explicitly refers to the studies of Edward Banfield on the 'amoral familism' in the Italian south, which indicated a lack of civic virtue. This in turn was held to be responsible for the amount of political corruption in general and the emergence of the mafia in particular. Apart from pushing civic virtue, in the form of social capital, to the fore as the major explanatory variable concerning regional differences in administrative efficiency and transparency, there are two other noteworthy aspects of Putnam's study. First, he embraced the idea of path-dependence as a sort of epistemological–methodological framework:

> Social patterns plainly traceable from early medieval Italy to today turn out to be decisive in explaining why, on the verge of the twenty-first century, some communities are better able than others to manage collective life and sustain effective institutions. (Putnam, 1993: 120)

According to a path-dependence approach, the absence of civic virtue in the Italian south has its roots in the 12th century, when the region had a feudal monarchy thrust upon it (with all its concomitant aspects, like vertical patronage relations which are devastating to the creation of civic virtue). The north, on the other hand, developed as a region of independent mercantile city-states. These were characterised by a much more horizontal distribution of power and trust between merchants, because they lived off credit, which can only function well if there is a generalized amount of trust—not only between persons but also between the various guilds. Following this line of argument we have arrived, before we know it, in the 20th century, where path-dependence has led to differences in civic virtue such that significantly more efficient and democratic regional governments exist in the Italian north than in the south. An amusing and telling passage in Putnam's book is where a good-willed civil servant desperately wonders what can be done when the roots of present problems date back to the 12th century. Obviously, this idea of path-dependence holds much potential attraction for development studies because it has a strong historic inclination in its theory and methods (eg dependency theories). That the idea of path-dependence is not unproblematic will be discussed below.

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The second noteworthy aspect of Putnam's approach is his view that civic virtue is more important than economic welfare in explaining the way 'democracy works'. In fact, says Putnam, 'economics does not predict civics, but civics does predict economics, better indeed than economics itself' (1993: 157). This did not escape a particular brand of theorists interested in explaining the persistent lack of economic growth in many Third World countries.[4]

Making Democracy Work is an interesting and accessible read, which has certainly contributed to its large-scale success, both within and outside academic circles. Before moving on to explain the more specific reasons for the widespread interest provoked by social capital, I would like to dedicate some short words to its definition.

It is important to differentiate immediately between those definitions of social capital which zoom in on the individual perspective, and those which operate on a wider scale. Authors who approach social capital from the individual point of view are, for example, Bourdieu, Coleman and Burt. They define social capital in terms of a resource to which an individual has access and which s/he can use for his or her benefit. For Bourdieu it is, together with symbolic, cultural, economic and physical capital, one of the forms of capital but of a particular nature. Social capital is, as it were, the fungibility channel through which one form of capital can be changed into another which benefits the individual. In contrast to Coleman and Burt, though, Bourdieu is interested in the class differences between this function of social capital and specifically in how the elite use social capital to reproduce their prerogatives.

Some definitions of social capital from the individual perspective are the following:

- The totality of actual or potential resources related to the possession of a lasting network of more or less institutionalised direct or indirect social relations (Bourdieu, 1981, author's translation).
- Social relationships from which an individual is potentially able to derive various types of institutional resources and support (Stanton-Salazar & Dornbusch, 1995).
- The arrangement of human resources to improve flows of future income (Ostrom, 1994).
- The array of valuable relationships a person has accumulated over time (Meyerson, 1994).
- Opportunities to turn a profit from the application of one's human capital (Burt, 1998).
- The component of human capital that allows members of a given society to trust one another and co-operate in the formation of new groups and associations (Coleman, 1988).

Definitions of social capital/trust which emphasise the collective or aggregate character are, for example:

- When a community shares a set of moral values in such a way as to create expectations of regular and honest behaviour (Fukuyama, 1995).

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- Stocks of social trust, norms and networks that people can draw upon to solve common problems. It refers to features of social organisation such as networks (Putnam, 1993).
- A form of cultural capital: a stock of knowledge, behavioural repertoire, and attitudes that are held by their members [of a society] as collectivities, with certain classes of individuals specialising in some parts of this stock, other classes in other parts (Putterman, 1995).

If we take a more precise look at these definitions, we see not only that there is a difference between those definitions which concentrate on social capital as an individually owned resource on the one hand and a collective property on the other, but also that the increase in scale involves an implicit transition somewhere from a social to a spatial category. This transition is not always clear, however, as in the case of transnational migratory social networks. The shift from the individual and the family as purely social categories harbouring social capital to the community or neighbourhood as the smallest spatial category harbouring social capital not only signifies a quantitative difference in social capital but also a qualitative one. First, social capital cannot be 'owned' by a spatial unit as in the case of a social category. Second, the question of the inherent exclusionary effect of (bonding) social capital is less manifest in the case of spatially based social capital, although not necessarily absent.

This article concentrates on the spatially based interpretation of social capital whether in the case of (urban or rural) communities or countries. Putnam, for example, situates his definition of social capital at the (regional) meso level, ie the amount of associations in the domain between state and market where trust is generated between members, which creates a societal spin-off because people start to build trust into their relations with others (including the state) who do not belong as such to their associations. The approach of the World Bank even touches upon a higher spatial aggregate when social capital refers to the internal social and cultural coherence of society, the norms and values that govern interactions among people and the institutions in which they are embedded. Social capital, according to the World Bank, is 'the glue that holds societies together and without which there can be no economic growth or human well-being'. With regard to the 'missing link' in development—it seems that the World Bank has found it.

Reasons for the popularity of social capital: the contours of the anti-politics machine

This section concentrates on the collectivised interpretation of social capital, in the sense that it is used as an explanation for collective phenomena like the level of economic growth and development, and the degree of democratic government and policy efficiency. As the reader will notice, some of the reasons for the rapidly rising popularity of social capital partly overlap with each other or are further specifications. As such, this is not a definitive summing up; the list is, as it were, enlarged every day but the most important factors are, I believe, covered.

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Social capital as deus ex machina

The list of applications of social capital is so elaborate—from explaining differences in morbidity between city sectors to differences in the welfare of countries—that one cannot escape the impression that social capital is used as a *deus ex machina*, truly the 'missing link'. However, the explanatory value varies from being the most important variable to explaining a hitherto unexplainable rest value in a correlation. It is a convenient *deus ex machina* because it is not a one-dimensional concept, it is difficult to measure and, as such, it has a high degree of heuristic value.

Rolling back the state

Since the middle of the 1970s neoliberalism has taken it upon itself to emphasise the importance of the market in development processes and to roll back the importance of the state. Francis Fukuyama (1995), for one, is very clear about this:

> We are at the end of a prolonged period in which modern states have been key promoters of economic growth and social transformation. No one would deny that in the past, state intervention in the modernization process has been effective. National governments have abolished entire social classes; engaged in land reform; introduced modern legislation guaranteeing equality of rights for ever larger circles of the population; and provided the infrastructure for modern, complex, information-intensive societies. This institution-building, however, has reached a dead end with the establishment of liberal democratic political institutions and capitalist economic structures throughout the developed world.

Portilla (1997:5) argues that rolling back the state has also increased interest in people's capability to act, as well as generated interest in new institutional economics.[5] In short, the post-World War II period, from the beginning of the 1950s to the middle of the 1970s, was the reign of the idea of the central role of the welfare state. This was replaced by faith in the market and, from the beginning of the 1990s, with an increasing faith in the role of civil society. Social capital provided the latter shift with a more analytical and policy-oriented substance. It supported the enthusiasm for the viability of local government as the political translation of good governance,[6] because social capital strongly suggested looking for synergy at the local level between the public and the private sector. In all of this the World Bank played a specific role.

The role of the World Bank

Ben Fine as well as John Harriss have recently drawn our attention to the enthusiasm with which the World Bank embraced social capital and subsequently financed research programmes to further explore its theoretical dimensions as well as its potential policy relevance. Fine is very suspicious of the World Bank's motives. In his latest book (Fine, 2001) the interest of the World Bank is an important reason for Fine to warn the reader—especially those inclined towards the political left if there still is such a thing—to be wary of social capital. He

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starts his critique with the increasingly uneasy feeling within the World Bank with respect to the mounting criticism of the Washington consensus, a criticism that reached the inner core of the World Bank in 1995 in the person of its chief economist Joe Stiglitz. The Washington consensus, which lies at the basis of all neoliberal recipes, defended the idea that, even if the market is an imperfect instrument to solve economic problems, state interference would be even worse. The failure of many structural adjustment programmes and the increasing recognition of the strong role of the state in explaining the economic success of the Asian Tigers led to mounting criticism of the Washington consensus. According to Fine, the concept of social capital offered the possibility of an analysis and a solution to the problem of economic stagnation which did not include the state. Having adopted social capital the World Bank quickly took the lead as an outlet for social capital publications, many of which became important reference points in the social capital debate. Fine argues that, by employing social capital, the World Bank managed to respond to the mounting critique of its economistic and asocial attitude. At the same time social capital was used in an economistic manner catering to the dominant position of the economists within the World Bank; and the involvement of the state was kept at bay because it was strongly believed that it would destroy initiatives which were beginning to blossom within civil society on the basis of social capital. To Fine's analysis John Harriss adds that the post-Washington consensus led the World Bank to adopt concepts like civil society, decentralisation, participation and social capital 'as the queen of them all' (Harriss, 2002: 78). He fully agrees with Fine that, instead of acting as a Trojan horse within the economists' bulwark of the World Bank, social capital in fact led to a domestication of critical social science.

The end of the Cold War and Western triumphalism

The fall of the USSR and the end of the communist regimes in other Eastern European countries meant the end of socialism as a political project and the triumph of capitalism and democracy. The 'blessings' of free trade and capitalism, with democracy as their concomitant political regime, became important export products of the West. As the traditional adversary in the East was no longer there, the West definitively changed its image into that of the North against the new adversary of the South. As Edward Said reminded us, cultures and ideologies need opponents to be able to structure their self-image; the South now came to replace the East, a new form of North–South exploitation became attached to those already in existence. A number of countries in the South, or rather their political leaders who, in spite of their corrupt and terrorist nature, had been protected by the North, were dropped like hot potatoes after 1989 because they were no longer needed in the geopolitical chess game with international communism. Corrupt and dictatorial leaders became even more exposed for what they were.

One of the consequences of the previous developments seems to have been that the North did not want to be bothered any more by recriminations about its role in the creation and perpetuation of poverty in the South. In fact, the former empires hit back by pointing out the internal political and cultural 'deficiencies'

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within the Southern countries which played a role in the continuation of poverty: corruption, warfare, violence, etc. Social capital started to play a role in a sort of Western triumphalism towards the East and the South in the sense that Western culture apparently harboured the 'right' kind of social capital, which sustained capitalist development and the creation of democracy. The alleged absence of civic virtue, or having the 'wrong' kind of social capital (the 'amoral familism' type) became emphasised as important developmental explanatory factors.

The rise of the Third Way

When socialism became inappropriate after 1989 as a progressive political project the social-democratic parties in Europe were among the first to become short-handed in presenting at least progressive-sounding alternatives to the hegemonic neoliberal discourse. The idea of the Third Way (between the state and the market; between socialism and capitalism), which became popular among social-democrats in the UK, Germany and the Netherlands in the mid 1990s was about the only alternative around. A short flirtation between Clinton, Blair and Vice-Chancellor Schröder appeared to lift the idea off the ground in a transatlantic alliance but it never got that far. The idea of the Third Way rested on the conviction that the state had crowded out civil society in its assumption of responsibilities, leading to a state bureaucracy that increasingly proved to be inefficient and expensive. Stakeholders in civil society, according to the philosophy of the Third Way, laid too much emphasis on rights and not enough on (social) duties. Social solidarity was too fragmented and functioned at too low a level because the state had created social safety nets, which merely functioned as feather beds and so-called poverty traps.[7] The Third Way was social democracy's answer to the neoliberal idea of rolling back the state and the end of socialism. With its participatory rhetoric it sounded progressive but at second glance the Third Way reached back to well known Christian-democratic values: the family as cornerstone of society, social solidarity among citizens not based on a political philosophy, and the state at most as facilitator of all this.

Social capital, solidarity within social networks, civic virtue, etc became smoothly incorporated into Third Way rhetoric (see Giddens, 2001 and Szreter, 2001). How the *Zeitgeist* has changed with respect to social capital is related by Ben Fine, according to whom Putnam was received in the White House as a hero by Bill Clinton to explain the supposed decline of social capital in the USA, while in 1970 Banfield needed police protection against leftist groups when he used his notion of amoral familism to explain the backwardness of inner city ghettos in New York.

We have seen that social capital has been hijacked by the North to blame the South for its own poverty, by the World Bank to counteract criticism of its neoliberal recipes, and by the Third Way social-democrats to play a part in their political discourses. What else explains the popularity of the concept?

The political multi-functionality of social capital

This is actually a combination of the first reason discussed above (social capital

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as *deus ex machina*) and the last one (its attractiveness for certain political projects). There are certain concepts used in political rhetoric, but also on more praxis-oriented occasions, which are accessible for both the political left and right. Examples are, of course, globalisation, decentralisation and sustainable development. Left and right can define these terms according to their own needs. Social capital is also such a term: it is attractive to the political left because it refers to collectivities, to solidarity; and it is equally attractive to conservatives because it refers to ethical values, the community, family values, etc. In fact, as will be done later in this article, it is not too difficult to tie social capital to the other favoured concepts, ie decentralisation, sustainable development and globalisation.

The rise of transnational cultural and economic issues

In cultural studies as well as in general sociology the existence of transnational networks has increasingly been established as an important research issue. In studies of transnational identity construction, chain migrations, and of multi-culturalism and its associated problems, it seems that social capital is one of the concepts which is used to get a grip on these issues. Especially in studies of the problems associated with multicultural society the differences between bonding and bridging social capital, or the so-called downside of social capital (Portes & Landolt, 1996), are increasingly used to explain mechanisms of social, political and economic exclusion.

In a globalised world where production factors are increasingly mobile and are subject to equalising forces, transnational corporations are always on the lookout for competitive advantages. As the new institutional economics is increasingly underlining, these competitive edges could very well be found in ways to lower the transaction costs for information exchange within and between companies in a particular area. This could also contribute to heightening companies' innovative capability. Social capital in the form of trust between personnel within one company and between similar companies in a particular area could significantly lower the transaction costs of information exchange. For example, much of the innovative capability of software firms in Silicon Valley is located in several forms of social capital, such as the informal meetings of personnel in restaurants and bars where information is exchanged and ideas in their rough forms are tested.

Problems and pitfalls: the working of the anti-politics machine

This section will concentrate on the more politico-emancipatory problems inherent in using the concept of social capital. Less attention will be dedicated to problems attached to definition and operationalisation.

Blaming the victim

Whether it concerns a social or a spatial category, in some applications of social capital there is a tendency towards blaming the victim. Individuals, neighbour-

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hoods, villages, regions, countries are underdeveloped because supposedly they do not have the 'right' kind of social capital. Low-income groups have higher rates of morbidity and mortality because they do not participate enough in neighbourhood activities; crime rates are rising because the family is no longer the cornerstone of society and as such produces less social capital; community social capital—constructed and maintained especially by women—has also gone down the drain because women have increasingly shifted their frame of reference from the family and the neighbourhood towards career perspectives; development projects have failed because there was not enough social capital among the target groups. In short, if you are marginalised, poor and underdeveloped it is basically your own fault. Not only that, you have the key to progress in your own hand. Like the famous Baron von Münchhausen who pulled himself and his horse out of the morass by his own hair, according to the social capital logic the poor are expected to pull themselves out of a problematic situation by developing the right kind of social capital. In an era where structuralist approaches to understanding reality are increasingly traded for more actor-oriented approaches, this sounds just right.

How does one develop the right kind of social capital? Here the recipes differ. On the one hand there is the option of adopting modern norms and values (ie developing trust in modern institutions and the rule of law—turning global as it were). On the other hand there is the communitarian advice to return to the old family values (ie to turn local). Quite apart from the issue of whether there is any sense at all in these reasonings, there is the question of the possibility that social capital is not *per se* the independent variable, not even involved in a circular causation but simply just the dependent variable. Suppose that poverty is not caused by a decline in social capital, but that a decline in social capital is the result of poverty. What is happening to AIDS orphans in Africa might be an example. Because of rampant AIDS, social networks—social capital—have been destroyed to such an extent that the AIDS orphans can no longer be absorbed by the erstwhile informal social safety nets and have become visible as street children. As such, they are a new target for international development co-operation.

The victim-blaming approach also has to do with neoliberal triumphalism. The West/North was right after all, wasn't it? Modernity did bring the right kind of social capital and trust, didn't it? But what about path-dependence then? Following social capital's own logic, wouldn't path-dependence point to a responsibility of the former colonial powers for the plight of the Third World? Well, not necessarily, as one might go back way before the beginning of colonialism towards the 'real' traditional cultural roots which have survived (resisted) the colonial impacts and are the real culprits for the present stagnation. Following this line of reasoning colonialism and imperialism are relegated to the sideline in explaining the current plight of the Third World in exchange for a path-dependent explanation which goes back to precolonial times.

Social capital and political engagement

Putnam is criticised for maintaining the idea that membership of, for example, a bird-watching society would lead to a rise in the political awareness and engagement of members, and that this would lead to a generalisation of trust—from trust

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between members of an association towards trust in institutions such as the government. If this had any bearing at all it would certainly revolutionise international development aid. It would mean that much more attention should be dedicated to the foundation of all kinds of social association in Third World countries, from sports clubs to choirs, in the expectation that it would lead to the creation and subsequent generalisation of trust. Sometimes, local social organisations are indeed used as a point of entry for development programmes but the idea that membership of these could lead to a generalised form of trust would certainly be a new way of looking at the functionality of these clubs. On the other hand, it might very well be that the emergence of these types of associations is more a reflection of a certain developmental process than the cause of it; this again would make social capital the dependent variable.

However, in itself the idea is neither new nor totally besides the truth. Other authors (eg van Deth, 2001) refer to the writings of Dahl and Ostrom, who already in the 1960s and 1970s were emphasising that joining social organisations and political participation reinforced one another. Van Deth rightfully emphasises that one has to look at the type of social organisation if there is any meaningful relation with political participation to be detected. This omission actually leads to the following pitfall.

Correlation is no causation

Social capital is correlated with many other social phenomena but often the causal explanation does not match the degree of quantitative sophistication of the correlation. Several examples can be found in Van Deth (2001) and Scheepers *et al* (2002). Foley and Edwards (1998: 5) make two relevant remarks in this respect: first, there are theoretical difficulties in linking attitudinal data (ie in the case of defining social capital at the individual level) with macroeconomic and political outcomes. Second, social capital or trust represented as a statistical score does not reflect the underlying distributions, which may vary according to national or regional patterns. In general this is indeed a reflection of the lack of theorisation with respect to social capital. Another indication of the latter point is that sometimes (the lack of) social capital is used as a metaphor ('a society without an adequate stock of social capital is sick') and is not meant to be operationalised, measured, correlated or used analytically.

Trust instead of social capital

In an enlightening contribution to the 2000 Exeter conference on social capital, Pippa Norris (2000) emphasised the difference between social capital and trust. Using data from the World Values Study surveys and the UNDP Human Development Index, she noted that 'Social capital is associated with socioeconomic development…but this link appears to operate through social trust not civic society' (Norris, 2000: 12). According to Norris's findings, Putnam is 'at least half right' in the sense that, of the two components of social capital, it is primarily social trust and not associational networks that seems the most active component related to democratic development.

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Difference between bonding and bridging social capital, and the downside of social capital

Portes and Landolt (1996) have pointed out that social capital can have its downside, eg withholding access to resources. In fact, it is inherent in the concepts of social capital and trust that others are excluded, even if social capital means horizontal and democratic social relations. The Catholic and Protestant communities in Northern Ireland, for example, each have large amounts of social capital but unfortunately it is of the so-called bonding (internalised) type. The problem in Northern Ireland is precisely that there is a lack of bridging social capital. So, if one simply measured the associational density in Northern Ireland without differentiating between bonding and bridging social capital, it would be totally analytically flawed to connect it to other data, such as social welfare or the transparency of government. Large amounts of bonding social capital (in combination with an absence of bridging social capital) could, in some situations, be an indication of a strategy to cope with poverty rather than a factor which is related to an efficient and transparent democracy. If social capital is going to be used in the analysis of multicultural societies, then a differentiation between bonding and bridging social capital would be a minimum requirement.

Social capital as a mainstream concept

Neglecting the downside of social capital brings us to the criticism that social capital has been usurped by mainstream thinking rather than by the progressive Left, if it still exists. One does not have to be a Marxist to notice, as does Ben Fine, that power, conflict and social class have almost no place in social capital analysis. Civil society is even reduced at times to the image of a large company, where smoothing the exchange of information via networks lowers the individual transaction costs and thus produces an aggregate surplus value at societal level. Poverty threatens to become reduced to inadequate access to information because your network or your position in it are not good enough; this brings us back to the victim-blaming approach. This is not to say that inadequate access to information is not a factor in the vicious circle of poverty but, if this factor is not embedded in an analysis of the structural political, economic and cultural dimensions of poverty, it just reinforces the image of social capital as a mainstream concept which does not challenge the status quo with respect to the unequal distribution of power and resources.

The state as dependent variable

In Robert Putnam's by now classic analysis of social capital the state is treated as the dependent variable, ie social capital as the independent variable influences the functioning of the state and not vice versa. If, as with other authors like the communitarians, the state is viewed as influencing social capital, it is awarded a destructive role in the sense that it destroys social capital by making people dependent upon the state. In contradistinction, Hyden (1997), in an important synoptic article, emphasises the potential role of the state in securing the

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conditions for the creation of social capital. A clear example of this is the traditional urban community social worker of the 1950s, subsidized or paid by the state in order to 'help' urban low-income groups face the challenges of modern life by supporting forms of social capital at neighbourhood level.

Social capital as dependent variable

The split among social capital authors between those who interpret the concept at an individual level and those who define social capital at the collective/structural level is partly overlapped by another split in the literature. This concerns authors who use social capital as an independent variable in contradistinction to those using it as a dependent variable. We have seen in the previous section some examples of social capital as a dependent variable. As a further example of this, Fox (1996) points out that some highly developed countries seem to have low levels of social capital (measured by a high crime rate, decreasing family cohesion and a decreasing trust in the parliamentary system). Foley and Edwards (1998: 9) refer to studies which 'make clear that local and national political contexts exert substantial influence on the kind and degree of mobilization of social capital'. This would lessen the primordial importance of social capital as an independent variable in explaining the degree of economic or political development of a nation-state. Fox also puts forward the argument that informal networks based on trust limit the possibility for economic activities to expand because informal trust has limits with regard to creditworthiness, a point that Fukuyama also makes. Trust based on informal networks is important in countries where there is not enough trust in the formal institutions to safeguard property rights and to honour contracts. In those cases trust in informal networks (ie social capital) is considered by these authors only as a second-best alternative because there is no rule of law that can act as guarantor in the case of defaulting contracts.

Functionality of social capital

Fukuyama rightfully emphasises that it is important to look at the functionality of the flows between the nodes of a social network. In his view this functionality should be seen in connection with economic characteristics of the country in question. In the old Fordist days the social capital of the average person was neatly tied to the factory and the surrounding neighbourhood. This has completely changed with post-Fordist production logic in full global swing. In combination with the increasing digitalisation of communication, the neighbourhood has lost much of its once traditional function as the spatial frame of reference for social capital. In fact, if social capital becomes locked in space then its functionality is limited in terms of information and communication technologies. Perhaps only those who live in the high-income gated communities in the USA are able to nurture a kind of social capital that combines its traditional spatial dimension with its modern digital-oriented functionality. This issue of the functionality of social capital underlines the importance of combining a statistical analysis of social capital variations with a more qualitative, case-study approach.

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Social capital as end or means: the tautological danger

In a phenomenological sense it does not become really clear whether social capital is a means to an end (ie reaching the 'good society') or whether it is an end in itself (ie a good society is characterised by a lot of trust and moral obligations in interpersonal relations). This is linked to the confusion about social capital as an independent or a dependent variable. The obvious solution that is offered is that social capital is a resource that feeds itself: more social capital leads to a better society which in turn leads to more social capital. Heuristically this might be an elegant solution but in terms of social science theory and in terms of policy-oriented research it does not move the analysis forward significantly. Instead it adds tautology to the list of potential problems and pitfalls.

Shifting the perspective: the global political crisis

In the previous sections I have attempted to put forward a number of reasons for the popularity of the concept of social capital as well as some problems and pitfalls which have been mentioned in critical social capital literature. As such, the contours of social capital as part of the anti-politics machine have been outlined. Does this mean that social capital has no value from a politico-emancipatory perspective? This implies that social capital could be safely applied from an actor-oriented perspective but then would not have a noticeable surplus value above a common social network analysis. Any application at a more aggregate, or collective level, would, however, be suspiciously considered as part of the anti-politics machine in the post-Washington consensus era.

In order to reassess the functionality of this disputed concept it seems a good idea to shift the perspective to the global level.[8] Regarding the pros and cons of social capital at the aggregate/collective level it seems that many of these are in one way or another related to globalisation. Central in the globalisation literature is the diminishing, or at least changing, role of the (nation-)state. It is important to realise that the (nation-)state has always played a central role in development theories. It was the lynchpin around which theories about economic growth, and social and political development, in Third World countries revolved. Modernisation, dependency, unequal exchange, basic needs, self-reliance, delinking, New International Economic Order, participation, empowerment and sustainable development are just a few examples of what development studies has produced through the years in terms of paradigms, theories and concepts which all share the state as frame of reference (either positively or negatively). As such, it reflected to a large degree the role of (nation-)states in the dynamics of the subsequent post-World War II periods. This has changed with globalisation.

Arjun Appadurai (1990) coined the term 'disjunction' to indicate that in the global era the characteristics of the global economic and financial market, of democratisation together with the collapse of nation-states, and the construction of transnational identities increasingly followed their own separate time–space logic. This meant that development studies (after surviving the so-called impasse from the mid-1980s) is now faced with the challenge of creating new theoretical understandings concerning developmental processes, and of coming up with

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enticing emancipatory perspectives, as the socialist paradigm has lost its erstwhile prominent position as a progressive political project for the poor and marginalised of the Third World. Much of the inspiration in outlining the contours of an anti-political machine as operated by powerful actors of the post-Washington consensus is undoubtedly drawn from a genuine concern for the plight of the poor in the Third World. However, this concern is not connected (yet) to a realistic alternative politico-emancipatory project as the socialist paradigm has lost its beckoning perspective. It is within this context that an attempt to assess the emancipatory potential of social capital seems worthwhile. In doing this there are at least three issues in the literature on political characteristics of globalisation which are relevant.

First, in the present global era—with neoliberalism as its dominant, almost hegemonic ideology—the state in Third World countries (and also in the North for that matter) is seen less as an active partner in the development process (and as such less interesting as a partner for development aid). Second, as a consequence, development is seen much more as a process in which various actors (the state, private capital, civil society and international donors) relate to each other in a synergetic way (Evans, 1996). Since the middle of the 1990s civil society has increasingly been seen as a major 'actor' working for its own progress. Of course since the 1970s social organisations in the Third World had been considered as developmental actors (NGOs, social movements and, in the broadest sense of the word, social classes) but not specifically as representatives of something called civil society. To put it more strongly: the term 'civil society' as such was virtually non-existent within the development literature before the 1990s. From the end of the Cold War onwards civil society has made a definite breakthrough in academic as well as policy-oriented publications. It has been adopted by all the stakeholders in the global political arena (from the World Bank to NGOs) and as such, according to some, forms an integral part of the anti-politics machine.

Third, there seems to be a global realisation that the withdrawal of the state and the loss of faith of the general public in petrified political parties, on the one hand, and the non-materialised potential of civil society to be a partner in a development process, on the other hand, has all the makings of a global political crisis. It is my feeling that the concept of social capital offers academics as well as politicians a way of coming to terms with this political crisis and as such could award social capital a more emancipatory dimension.

The main characteristic of this political crisis is the growing distance between 'the political' (the government, parliament and political parties) and 'the social' (civil society in general, and social associations and citizens in particular). In 'the political' domain we see, for example, 1) a diminishing political and economic presence of the state; 2) the increasing influence of supranational political institutions such as the European Union, without citizens feeling that they are able to exert democratic control over these bodies; 3) political parties which have not been able to adapt their 19th century-based political philosophies to the current fragmentation of political interests; 4) a continuing trend towards decentralisation, but without many new ideas about how to connect local government with local people.

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On the part of civil society we see a world-wide trend for people to turn their backs on politics. In the 1990s there was a rise in the number of problems experienced by citizens all over the world, eg rising crime rates, increasing feelings of insecurity (not only because of crime but also because of environmental risks), growing identity disorientation because of globalisation, problems within multicultural society, a growing distance between citizens and international government, and the absence of responses to these problems from national political parties and/or governments. Globally, people became increasingly disappointed by the lack of answers from the political side. This low-key response from politics is the result, among other factors, of the 'rolling back of the state' in general. Large-scale political de-ideologisation after the end of the Cold War, which for the average citizen blurred the distinctions between the established political parties, led to the growth of political extremism. The latest parliamentary elections in Europe have shown a turn to the (extreme) populist rightist parties (eg in the Netherlands, Denmark, France) which are the only ones which, temporarily at least, are profiting from the distrust of democratic politics. The old established parties are increasingly accused of having lost contact with voters who are finally fed up with their clinging onto power in spite of corruption and scandals. Ever more voices are raised clamouring for a new way to do politics, a new way for civil society, and for citizens to become involved in politics.

Perhaps the most fundamental reason for the political crisis is that political parties in the North are essentially late 19th-century phenomena, each harbouring one overarching ideology that covers all aspects of life as a citizen. To choose a particular political party was not difficult in times of class struggle, when religious currents (above all protestantism and catholicism) were central pillars for some of the major political ideologies and had their roots deeply anchored in the societal structure (education, health care, associational life at all levels in general). For the greater part of the 20th century political parties in the industrialised world have been the political crystallisation of societal structures.

All that has increasingly changed with globalisation. The present political crisis in many Northern countries results from the inadequacy of the erstwhile overarching ideologies to be responsive to the increasing trends of individualisation and fragmentation of social life connected to globalisation. Social movements, NGOs and other interest groups seem to be more able to represent the amalgam of citizen interests than political parties. As such, it is for the average citizen much more functional to support various social organisations than to vote, only once in a while, for just one political party which represents only one aspect of a person's fragmented palette of interests and wishes. The new representative role of movements and associations is fundamentally different from the role they had in the late 1960s and 1970s. During that period they were seen as means to channel protests from within society towards the state, but were not necessarily seen as potential policy makers and implementors.

This growing gap between the institutionalised political parties and a broad spectrum of the electorate has recently been increased by the growing influence of supranational political organisations, which are deemed by the general public to be totally beyond democratic control. The way that the euro, the new European

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currency, was forced upon citizens in many European countries was felt by many to be just another manoeuvre by politicians over which they had no say. In addition, many European countries had to cut government spending in order to meet the criteria for entering the eurozone, which meant, among other things, cutting down on social infrastructure investments. In the latest polls more than half the German population are now against the euro, and they are no exception within Europe. Growing feelings of unease with the increasingly multicultural nature of European industrialised countries has been grossly underestimated by the political parties in power, which have greatly contributed to the gap between citizens and politics, or between 'the social' and 'the political'. These are only a few examples of why the gap between politics and civil society has grown in the past decade. According to Misztal (1996: 3): 'The recent increase in the visibility of the issue of trust can be attributed to the emergence of a widespread consciousness that existing bases for social cooperation, solidarity and consensus have been eroded'.

Increasingly, the political crisis in the North resembles the political crisis in the South. With some imagination one might even venture to argue that the Northern countries are heading towards a situation which has always been associated with an archetypical Third World country: national politics heavily influenced by supranational political and economic actors, a reduced role of the central state in spite of the huge bureaucracy, political parties which are not representative of the fragmented interests in civil society and, in addition, are frequently highly personalised, and a multicultural society with structural or recurrent ethnic problems.

Obviously the historic trajectories of the North and the South which have led to these shared characteristics of political crisis have been totally different. In the North the political system after the 19th-century period of nation building, followed by a 20th-century construction of welfarism with a leading role for the national state, has been thrown by the turmoil of globalisation, leading to a rupture between the social and the political domain.

In the South, although not denying the influence of globalisation, the major reason for the current political crisis has much to do with the history of colonialism, dependency and imperialism which has contributed greatly to a fragmented society. In fact, since the beginning of colonialism, politics in the Third World has been synonymous with political crisis. In the South there has generally not been a process of nation building, nor the construction of a welfare state with a primordial role for the state. Instead there has been a political, social and economic fragmentation (structural heterogeneity in terms of dependency theory, or fragmented modernisation according to modernisation theory) in continuously changing formations ('continuity in change' according to Gunder Frank). So, unless colonialism, dependency and imperialism are interpreted as aspects of globalisation, we are talking about two different trajectories which in the North and the South have led to political crises. In spite of these different historic trajectories, in both regions political parties are unable to translate the fragmentary nature of interests within civil society into coherent and representative political projects. As such, the contours of the political crisis have taken on global proportions.

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Conclusion

It would be fruitful if the social capital debate were more closely tied to an analysis of and/or a solution to the political crises discussed. In sizing up civil society's capabilities to be an active stakeholder in searching for and implementing new forms of politics, the social capital debate could provide valuable insights in terms of relations of trust, shared norms and values, and the spatial frames of reference for trust and solidarity. Civil society in itself cannot act; only people and organisations have agency. This agency can be used in a contestatory manner—which was the new social movements perspective of the 1970s and 1980s—but this does not preclude the possibility of a more proactive translation from a stakeholder perspective. As such, the current stakeholder rhetoric probably could be seen as a prototypical example of the anti-politics machine. But it would be counterproductive from an emancipatory point of view if this meant that the role of social movements and NGOs should be limited to an anti-hegemonic strategy. If civil society organisations were truly to participate with other stakeholders in a politico-emancipatory project at a local, national or transnational level, research on social capital and trust could contribute to assessing the potential of such a strategic course to reconnect the social with the political. I agree with Portilla's view that social capital is only functional when it can be linked to 'statal and economic structures which make possible the transformation of people's social capital into institutional arrangements' (Portilla, 1997: 29). Social capital research could be directed specifically at studying the heterogeneity of norms, values and social networks within relevant sectors of civil society, on the one hand, and the amount of (dis)trust between the social and the political, on the other hand. Explicit attention should be awarded to the extent that power differentials within the social as well as between the social domain and the political domain are related to the absence of social capital and trust. This would be one way to avoid some of the possible pitfalls in social capital research, but it would be a pity to lose too much energy in discussing these instead of exploring the potential of social capital as a possible concept to help bridge the gap between the social and the political.

Whatever the outcome of the quest to reconnect the social and the political, it seems certain that civil society associations will play an important role. There is reason to assume that social capital research, focusing especially on issues like bonding and bridging social capital and trust, can deliver valuable insights in assessing the capability of societies (at global, national or local levels) to reconnect the political and the social. In order to realise this potential, the concept of social capital should be upgraded from the project level to a spatial context which is meaningful for assessing new forms of governance in a global era. Although the historical trajectories were different, the characteristics of the political crisis in North and South show some interesting common dimensions, a fact which gives social capital research as suggested here a much wider scope than is currently the case. As such, in addition to studying local perspectives, it would be most rewarding to take a truly global perspective with respect to the issues of the political crisis and social capital research on the possibilities of reconnecting the social with the political.

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Notes

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[1] As such it provides an example of globalisation in terms of how information, concepts and related discourses are spread within globally interconnected networks within the field of development: universities, international organisations, NGOs and social movements.

[2] Known as the Roseto-effect, named after the town of Roseto in Pennsylvania where Richard Wilkinson (1996) established this link for the first time.

[3] http://www.worldbank.org/poverty/scapital/index.htm. See also World Bank (1998).

[4] I will return to this later in the article. For critiques of Putnam's methodology and how he measured civic virtue and social capital, see Levi (1996), Harris and De Renzio (1997), Fine (2001) and Harriss (2002).

[5] That is, the idea that economic activities are embedded in sociocultural contexts.

[6] Another concept which, along with globalisation, decentralisation and social capital, enjoyed rapidly increasing popularity in the 1990s.

[7] A poverty trap exists because by accepting work an unemployed person would stand to lose too many social benefits.

[8] See Schuurman (2001) for an analysis of the impact of globalisation (as an ontological process and as a discourse) on development studies.

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