Approaches to the Downside of Social Capital

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Abstract
The idea that social capital has a ‘dark side’ is well established in the heterodox literature. However, interpretations of social capital based on the work of Robert Putnam and James Coleman have only started to engage with the potential negative outcomes and processes that can be involved in networks and associated norms. Recent attention to social capital’s downsides justifies a review of the concept that reasserts the validity of a heterodox approach. The main benefit of this approach, most frequently associated with Pierre Bourdieu, is the construction of social capital as a value-neutral, individual level resource. I argue that Bourdieu’s contribution to the understanding of social capital has been marginalized, and this framework is better placed than Robert Putnam’s theories to examine questions of social and political exclusion, and the reproduction of disadvantage. Although not without limitations, as a starting point for the exploration of social capital’s ‘downsides’, Bourdieu’s framework provides the opportunity to explore processes Putnam’s theories cannot engage with. Bourdieu allows an understanding of how social capital is unevenly distributed, and can only be understood contextually; embodied practices, geographical, historical, economic, social and cultural factors are critical to any understanding of social capital, particularly its ‘downside’.

Keywords: social capital; unsocial capital; dark side; Bourdieu; Putnam

Introduction
The idea that social capital has a ‘dark side’ is well established in the heterodox literature. However, interpretations of social capital based on the work of Robert
Putnam and James Coleman have only started to engage with the potential negative outcomes and processes that can be involved in networks and norms of trust and reciprocity. Recent attention to social capital’s downsides justifies a review of the concept that reasserts the validity of heterodox approaches. The main benefit of this school of thought, most frequently associated with Pierre Bourdieu, is the construction of social capital as a value-neutral, individual level resource.

There is nothing intrinsically ‘good’ or ‘bad’ about social capital and like any other resource it can constitute a risk or an opportunity and be deployed in negative or socially undesirable ways (Fine 2001:92; Smart 2008:41). Authors use a range of terms to describe the potentiality of negative externalities or adverse processes: counterfeit social capital (Ream 2003); a value-neutral resource (Reimer et al. 2008); non-communitarian social capital (Åberg 2000); perverse social capital (Rubio 1997); unsocial capital (Boyas 2010; Iglic 2010; Levi 1996). Quibria (2003:31) describes a ‘bad equilibrium of norms and values that are inimical to individual and collective development’. Dinovitzer (2006) discusses the concept in terms of its multivalency, whereas Adler and Kwon (2000) identify the ‘disutilities’ of social capital. Despite the diverse terminology, there is an emerging consensus in the literature that networks and the norms that sustain them can both constrain and enable opportunities for individual actors (Woolcock 1998; Portes and Sensenbrenner 1993; Adler and Kwon 2000; Adhikari and Goldey 2010; Johnson and Ross 2009).

The Problem(s) with Social Capital

In the social capital literature disagreement exists about: whether or not social capital is the property of individuals, as Bourdieu (1986) and Coleman (1988a) maintain, or of the collective, as in Putnam’s (2000) work; whether or not social capital can be destroyed, created or appropriated by the state; if it is a normative concept (Cox and Caldwell 2000:43-44); whether or not it is a form of capital, and if indeed the language of ‘capital’ should be used (Mayer 2003; Smith and Kulynych 2002). Fine (2001:39) goes further to describe social capital as an oxymoron: ‘if social capital seeks to bring the social back in to enrich the understanding of capitalism, it does so only because it has impoverished the understanding of capital by taking it out of its social and historical context’. The World Bank (1998:1) provides an excellent example of what is often gathered under the broad church of social capital:
The social capital of a society includes the institutions, the relationships, the attitudes and values that govern interactions among people and contribute to economic and social development. Social capital, however, is not simply the sum of institutions which underpin society, it is also the glue that holds them together. It includes the shared values and rules for social conduct expressed in personal relationships, trust, and a common sense of ‘civic’ responsibility, that makes society more than just a collection of individuals.

In this vein, Cox and Caldwell (2000:49) define social capital as ‘a measure of the health of group processes and interactions’ and go on to state that social capital is most easily identified when it is functioning to enable people, organizations and communities to do things like work collaboratively, resolve disputes in a civil manner, and recognise the common good over competing interests. This lack of theoretical coherence is further compounded by a tendency to provide laundry lists of desirable community outcomes in lieu of definitions. What this leads to is confusion between the concept, its measurement, and its outcomes.

Why bother?
After the publication of Robert Putnam’s *Bowling Alone: The Collapse and Revival of American Community* (2000), the concept of social capital experienced remarkable growth in popularity. In Australia, the Productivity Commission (2003), the Australian Bureau of Statistics (ABS 2000, 2002, 2004, 2006; Biddle et al. 2009), the Bureau of Transport and Regional Economics (2005), the Australian Institute for Family Studies (Stone and Hughes 2002), and state and local governments throughout the country embraced social capital. Internationally, the idea was adopted by the World Bank (1998) and the OECD (2001). Putnam’s interpretation of social capital promised not only to explain any number of social maladies, but also to enable inexpensive solutions to them. The social was to be bought back in. And because Putnam’s social capital was conceived of as a community resource that could be generated by associational behaviour – joining – it further justified the state transferring responsibility for the welfare of its citizens to the individual and civil society.
This simple prescription for strengthening social networks ignores how participation in social and civic activities reflects existing disadvantage and distinct patterns in income, education, gender and health (Pichler and Wallace 2009; Baum et al. 2000; Schneider et al. 1997). It is also ignores how high levels of social capital can facilitate the suppression of dissent, restrict information flows and constrain individual choice and mobility (Portes and Sensenbrenner 1993). The accepted wisdom that more social capital is better is challenged by research that demonstrates a negative relationship between high levels of social capital and diversity (Putnam 2007; Hooghe 2007). The political implications of social capital are also less clear than this approach would suggest, with more recent research arguing that high levels of social capital do not necessarily support democratisation and regime change, and can reproduce existing social and political cleavages (Paxton 2002; Roßteutscher 2010; García Albacete 2010).

**Classic Definitions**

Arneil (2006) identifies two schools of thought on social capital: American and European. The American school is exemplified by the approaches of Robert Putnam and James Coleman and has its intellectual origin in the work of Alexis de Tocqueville, Gabriel Almond and Sidney Verba, who all saw civic society as the critical component of a robust American democracy (Arneil 2006:4; Grix 2002:181). This school of thought treats social capital as largely synonymous with social connectedness and associational activity. The American school focuses on the transformation of those social connections into various forms of trust or other social norms, which act simultaneously as social lubricant and glue, making communities and economies function better (Arneil 2006:9). Indeed, it is Putnam’s central argument is that social capital bolsters economic and government performance: ‘Strong society, strong economy; strong society, strong state’ (Putnam 1993: 176).

Conversely, the European school has its heritage in the works of Karl Marx, Antonio Gramsci, Jean Cohen and Andrew Arato. Pierre Bourdieu is cited as the vanguard of this school and his work on the interrelationship between different forms of capital provides the basis of most critical approaches to social capital (Arneil 2006: 7-10). Bourdieu’s work focuses on social capital as a resource that facilitates social mobility
(Silva and Edwards 2004:3) and describes how the possessions of relationships can determine unequal access to resources (Edwards and Foley 2001).

**Orthodox theories of social capital**

According to James Coleman, social capital is defined as social structures that facilitate action (Coleman 1988a: 383), and it exists in a number of forms: first, as obligations and expectations, which rely on trust in the social environment; second, as information channels; and third, as norms and sanctions (Coleman 1988b: S102-S104). Coleman argued that the value of the concept is that it provides an account of how actors use the resources of the social structure in order to pursue their interests, and that by revealing this function, the concept of social capital can contribute to an understanding of different outcomes for individual actors (Coleman 1988b:S100-S101). Coleman primarily used social capital as a means to understanding the relationship between educational outcomes and inequality (Schuller, Baron, and Field 2000: 5). However, Coleman’s is a markedly functionalist explanation. He states that his aim is to: ‘import the economist’s principle of rational action for use in the analysis of social systems proper, including but not limited to economic systems, and to do so without discarding social organization in the process’ (Coleman 1988b: S97). Fundamentally, Coleman’s social capital is about reducing the transaction costs of collective action (van Deth and Zmerli 2010: 632).

According to Robert Putnam, associations, or an active civil society, generates trust, norms of reciprocity and a capacity for civic engagement (Edwards and Foley 2001:10). In this sense, an active civil society improves the efficiency of society and facilitates coordinated actions (Putnam 1993). It correlates with better institutional performance (Whittington 2001) and improves a community’s ability to deal with social and economic problems.

There are many significant criticisms of this approach. Critically, Putnam’s theory does not elucidate the specific mechanisms by which civil society is meant to generate social capital or specify how group involvement shapes government performance and enhances democratic processes (Booth and Richard 2001:45; Szreter 2002). He reduces social capital to participation in voluntary associations and ignores other institutions that may also contribute to social capital, such as families and schools.
Putnam also excludes social and economic inequality as a cause of anomie or disengagement. His ‘civic decline thesis’ ignores the influence of economic restructuring, the demolition of the welfare state (Edwards and Foley 1997), or capitalism as a cause of social dislocation (Navarro 2002:427).

There is a problematic relationship between the individual and the community at the heart of Putnam’s analysis. His conservative account of human behaviour contains a particular construction of human agency, which on one hand, places responsibility for social norms, lack of trust, poverty, marginalisation and underdevelopment on the individual (Martin 2004:85; Muntaner and Lynch 2002:263; Schuurman 2003:1000). Yet on the other hand, he defines social capital a community level resource (Portes 2000:3). Putnam alone is responsible for this redefinition of social capital as a community attribute; he made it possible to speak of the ‘stock’ of social capital possessed by groups, communities, cities or nations (Portes 2000). There is a conceptual leap between earlier theories, such as Bourdieu’s and Coleman’s, which understood the individual as the unit of analysis and social capital as a source of social control, and Putnam’s qualitatively different interpretation of social capital as a community resource (Portes 2000:2-4). DeFilippis (2001:789) notes:

A community cannot possess anything. An institution or an individual can possess something, but a community cannot. Instead, communities are products of complicated sets of social, political, cultural, and economic relationships. Communities are outcomes, not actors.

Portes (2000) identifies a number of consequences which emerge as a result of defining social capital as a community resource, as opposed to an individual asset. First, social capital becomes synonymous with positive outcomes. Second, there is a degree of circular reasoning when social capital is said to lead to better outcomes, and the existence and operation of social capital is implied by better outcomes. Third, there may indeed be other factors that account for democratic political outcomes more comprehensively than ‘generalized civicness’.

There are well-documented problems with Putnam’s social capital, its functionalist bent, pluralist ideals, and conservative, romanticised illusions of community (O’Brien and Ó Fathaigh 2005:5; Adler and Kwon 2000:35). In Putnam’s interpretation, and
other work based on it, social capital becomes divorced from capital (in the literal, economic sense), stripped of power relations, imbued with the assumption that social networks are win-win relations, and that individual gains, interests and profits are synonymous with group gains, interests, and profits (DeFilippis 2001:800).

**Heterodox theories of social capital**

Bourdieu however, sees social capital as part of a more complex ‘social topology’ which locates an individual’s position in the social world in terms of their possession of, or access to, a variety of capitals: economic; social; cultural; and symbolic (Bourdieu 1986; Wall, Ferrazzi, and Schryer 1998:306). Individuals use different resources, or capitals, in order to maintain or enhance their social position (Swartz 1997:73). Different forms of capital are legitimate in different social arenas, or fields. In a given field, possessing the legitimate form of capital is a source of power that defines an actor’s chance of success. Also relevant is Bourdieu’s concept of *habitus*, or the set of dispositions that allow an actor to operate effectively in a given field: *habitus* can be described as an actor’s ‘feel for the game’, and *field* the ‘rules of the game’ (Bourdieu and Wacquant 1992).

Bourdieu argues that the different types of capital can be derived from economic capital, and can be transformed into one other with more or less effort (Bourdieu 1986:252). The struggle to impose which form of capital is legitimate in a given field, and to convert a form of capital into the legitimate form is one way that ‘individuals, families or groups attempt to maintain or improve their social position’ (Wacquant 1998:27). Hence, Bourdieu argues that the social world is structured according to the distribution of capital, and individuals occupy a particular region of social space according to the quantity and constitution of capital they possess (Bourdieu 1989:17).

Bourdieu (1986:248-249) 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 – or in other words, to membership in a group – which provides each of its members with the backing of the collectively-owned capital, a
‘credential’ which entitles them to credit, in the various senses of the word.

In Bourdieu’s analysis, the volume of social capital possessed by an individual depends on the size of the network and the volume of capital (economic, cultural or symbolic) possessed by each member of that network (Bourdieu 1986:249). Unlike Putnam, Bourdieu separates the network from the quality and quantity of resources available through it: hence, as Portes and Landolt (2000:532) argue:

…an actor’s capacity to obtain resources through connections does not guarantee a positive outcome. Given the unequal distribution of wealth and resources in society, actors may have trustworthy and solidary social ties and still have access to limited or poor quality resources.

This approach allows an understanding of how social capital is unevenly distributed, and can only be understood contextually; embodied practices, geographical, historical, economic, social and cultural factors are critical to any understanding of social capital. Because social space is historically generated, a temporal dimension is introduced and we can understand the transmission of capital over time – individuals inherit a social space in which they have access to resources of differential quantities and qualities (Skeggs 1997:8-9). People also inherit different ways of understanding and the meanings associated with different social positions (Skeggs 1997:8-9). By acknowledging the differential distribution of power, privilege and economic domination, and the complex interaction between social structures and individual choices, Bourdieu provides one explanation for why and how everything is not always equally possible or impossible for everyone all of the time (Bourdieu 1986:241-242; Mowbray 2004:7).

An analysis of the relationship between the different forms of capital, even if only social and economic forms, is missing from accounts of social capital that rely on Putnam’s interpretation, as is any attention to wider economic and political structures (Morrow 2001:58). By contrast, Bourdieu’s analysis provides an opportunity to examine the processes and practices of everyday life and how these relate to social exclusion and structural inequality (Morrow 2001:58) without reverting to the path-dependency implicit in a Putnamian interpretation of social capital (Harriss and de Renzio 1997).
Bourdieu has been criticised for his argument that action is always utilitarian and interested; conduct always appears to be directed towards accruing power and wealth (Swartz 1997:78). Field (2003:23) argues that it leads to a somewhat circular argument: ‘privileged individuals maintain their position by using their connections with other privileged people’. Further, Smith and Kulynych (2002) argue that the concept and the term ‘social capital’ is located in a broader context of the linguistic, political and intellectual valorisation of capital and the depoliticisation of capitalism. Superficially, it might appear that Bourdieu’s contention that economic capital is at the root of all forms of capital is another demonstration of economic imperialism. Bourdieu does however note that all actions are not reducible to economic calculation (Svendsen and Svendsen 2003:617). As Holt (2008:234) argues, the principle advantage of using Bourdieu’s theory of capital is that it reveals the: ‘concealed intergenerational processes that serve to reproduce socio-economic advantage, disadvantage and privilege’.

The Dark Side of the Force

As discussed, the orthodox interpretation of social capital often focuses on its positive effects (Portes 1998:15) and the role of networks and associational activity in generating trust and normative behaviour. There is a tendency in this literature to proffer an idealised version of ‘community’ whilst neglecting the negative aspects of sociability (Geys and Murdoch 2008:436). Yet, the idea that there is a downside to social capital is well-established, and the literature identifies processes and outcomes which include: market distortions; moral hazard; the alienation of group members from broader society; the suppression of dissent; the removal of autonomy and choice; disadvantage and social exclusion; and the perpetuation of destructive norms (Geys and Murdoch 2008:436; Woolcock 2000a; Brody and Lovrich 2002; Portes and Sensenbrenner 1993; Portes and Landolt 1996; Putzel 1997; Levi 1996; Li, Savage, and Pickles 2003; Quibria 2003).

Orthodox approaches to social capital do acknowledge its downside, albeit to a limited degree. Putnam concedes: ‘Networks and the associated norms of reciprocity are generally good for those inside the network, but the external effects of social capital are by no means always positive’ (Putnam 2000:21). Social capital may indeed ‘be directed toward malevolent, antisocial purposes, just like any other form of
capital’ (Putnam 2000:22). The concession that social capital is not a constant guarantee of community cohesion is, however, incomplete. By arguing that networks are ‘generally good’ for insiders, Putnam ignores the possibility of negative processes or effects on insiders or members. This perspective also does not provide insight into the role of the quantity or quality of resources available through networks, or the capacity of individuals or groups to utilise those resources. Nor is the influence of unequal power relations, or intersections of ethnicity, gender and class, understood to influence those resources or capacities. The circular argument is again in effect; the solution to negative effects of social capital is, paradoxically, more social capital.

Perspectives that draw on Bourdieu’s work appreciate a multidimensionality that Putnam’s theory does not allow. Firstly, Bourdieu’s definition has two components: the size of an individual’s network, and the volume and types of capital that are possessed by other parts of that network (Ihlen 2005:494). Secondly, through his theories of habitus and field, Bourdieu provides a way contextualise the operation of capitals and explore social norms and sociability. Fundamentally, however, a Bourdieusian analysis is concerned with how economic capital underpins other forms of capital and how social inequalities are reproduced by the interaction between the different forms of capital within broader social structures (Morrow 2001:41). Although not without it’s own limitations, as a starting point for the exploration of social capital’s downsides Bourdieu’s framework provides the opportunity to explore processes Putnam’s theories cannot engage with.

References


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i For example, the January 2010 issue of *American Behavioral Scientist* was dedicated to the ‘dark side’ of social capital. Using a predominantly orthodox framework, many authors drew attention to the importance of socioeconomic factors, and the social, political and institutional contexts in which social capital operates (e.g. García Albacete 2010; van Deth and Zmerli 2010; Albano and Barbera 2010; Kaminska 2010).

ii For example, the use of ‘trust’ as a proxy for social capital, participants asked about trust in surveys, and increasing trust as a means to increase social capital

iii Also identified in the literature as orthodox (Spies-Butcher 2006), or neo-Liberalist schools (Davis 2001 quoted in *National Statistics*).

iv Also identified as heterodox (Spies-Butcher 2006), neo-Marxist (Davis 2001 quoted in National Statistics), or pluralist schools (Brooks 2005)