

MICHIGAN STATE UNIVERSITY

The African e-Journals Project has digitized full text of articles of eleven social science and humanities journals. This item is from the digital archive maintained by Michigan State University Library. Find more at:

<http://digital.lib.msu.edu/projects/africanjournals/>

Available through a partnership with



Scroll down to read the article.

Article

Social Capital for Africa?*

Ben Fine

Introduction

Most readers of this journal will have heard of 'social capital', a majority might even have used the term, casually for some, for research for others. For, whilst its use may have originated in academia, it is engaged on a very much wider terrain, most notably across government and NGOs. In this last respect, it is like globalisation, a notion that is equally at home in the scholarly journals as it is in popular discourse. And, also like globalisation, social capital shot to prominence during the 1990s, having scarcely been previously acknowledged. So, it is an opportune moment to assess social capital – what is it, where has it come from, where is it going, and what light does or could it shed on Africa?

These questions are addressed in successive sections. The remainder of this introduction is concerned with more general issues and scene-setting.¹ This is so that social capital is understood as something more than a new idea that may or may not be useful because it is also both a reflection of, and a contribution to, the contemporary intellectual environment. Here I would emphasise three broad factors, each uneven and diverse in its influence and effects. First is the retreat from the extreme excesses of postmodernism. By this I mean that a certain boredom, impatience, and discontent is rumbling over undue preoccupation with meaning, subjectivity, identity and relativism. Rather, there is a wish to return to an emphasis on material factors, on how the world is made the way that it is, in addition to how we construe and experience it.

Second, in a sense in pursuit of the same goal but from a different direction, is the retreat from the equally extreme excesses of neo-liberalism. Is it really credible that the last decades of the 20th century were dominated by an ideology (and, to be fair, opposition to it) that suggested each and every aspect of the world could and should be made as far as possible like an ideal market – whatever that might be? Significantly, globalisation was

early, and heavily, used to promote the neo-liberal ideal – that everything could and should be like computerised financial markets, on the one hand, and McDonalds, on the other. One has been perceived to be unavoidable as the power of states is deemed to be overwhelmed by global market forces, the other simply the market giving people what they most wanted through commercialised culture and its artefacts. But, equally significantly, there has been an overwhelming reaction against this ‘virtual’ world of neo-liberalism,² especially in the context of globalisation literature. For it has increasingly found that material realities are other than those conjured up by neo-liberalism – everything from the nation-state to local culture continue to assert themselves in conditioned, but complex and significant ways. How could it be otherwise?

The third factor of the current intellectual environment that I would emphasise is the emergence of a new and virulent strain of what might be termed ‘economics imperialism’ by which is meant the colonisation of the other social sciences by the dismal science. In the past, economics imperialism achieved a modicum of success, not least where rational choice approaches have been accepted. The old imperialism depended upon treating non-market phenomena as if they were like market phenomena or, at least, as if each agent pursued their own self-interest regardless of activity and context. This was the basis for the emergence of the public choice literature and of the acceptance of the notion of human capital across the social sciences (as if education, etc, could be reduced to being like a physical investment for which labour market rewards are correspondingly higher).

The new economics imperialism, however, bases itself upon the inevitable presence of market, especially informational, imperfections. Accordingly, the world should be understood as organised to deal with those imperfections. Whilst the rational, optimising individual remains the core, underlying agency in this approach, it prides itself on bringing back into the analysis those factors that were left out of the old economics and the old economics imperialism. Such market imperfections provide the rationale for individuals to behave collectively, to form institutions, cultures, and norms, and to trust one another. Consequently, both economic and non-economic organisation and performance are the result of historically evolved responses to market imperfections. In this way, the new economics imperialism has been enabled to extend its approach to other social sciences and topics in ways that are apparently more palatable, precisely because of the ability at least to adopt the terminology of the colonised. Thus, for example, culture

is no longer seen as irrational and/or outside the scope of economic analysis. On the other hand, as indicated, culture is seen as the rational response to market or other imperfections. In addition, somewhat fortuitously, economics has begun to address issues of culture and the like, just as the other social sciences are on the retreat from postmodernism. Economics itself was never touched by postmodernism, has never been concerned over the meaning of its own categories of analysis, taking these to be self-evident. The same remains true of the new phase of economics imperialism with, in part, its own form of cultural turn.

The dual retreat from the excesses of postmodernism and neo-liberalism and the aggressive designs of economics imperialism set the intellectual conditions under which new, or old, ideas are flourishing, or not. Again, as a broad assessment with much diversity and complexity, the result has been to leave remarkably open the future direction of the social sciences. For what might now be termed the 'material return' as reaction against the cultural turn has generated a hunger for understanding of the nature and determinants of contemporary capitalism. But the earlier postmodernist turn has left the social sciences extremely weak and lacking in economic understanding. This, in part, reflects a deep-rooted and understandable antipathy to what claims to be the only truly rigorous social science, with its single-minded pursuit of optimising individuals, equilibrium and efficiency through formal mathematical models tested by number-crunching statistical techniques. In addition, mainstream economics as a discipline is unique in the extent to which it has refused to consider its own methods and methodology, and its own history, let alone to allow alternative approaches to prosper at anything other than at its squeezed and shrinking margins. In short, economics marches forward across the social sciences oblivious to the rhythms around postmodernism; the other social sciences retreat from it in search of material and, inevitably, economic understanding. From one discipline and topic to another, the outcome of these clashes of intellectual cultures is uncertain. We live in interesting times.

These remarks are borne out by globalisation for its literature has entirely captured and reflected the processes detailed, as already indicated in the case of the retreat from neo-liberalism. It has pushed the social sciences to seek to understand the nature of capitalism at the turn of the millennium, for which economics is particularly unsuitable since its methodological individualism precludes it from systemic understanding – the idea that world capitalism has structures, forces, powers, and conflicts that prevail over individuals.

Further, globalisation is extraordinarily flexible in its scope, content and level of analytical rigour – as Alice found in Wonderland, the word can mean more or less whatever the user wants it to.³ In particular, it has become part and parcel of academic and popular discourse and, as such, reflects another feature of the contemporary academic scene, its susceptibility to fads as in postmodernism and neo-liberalism, let alone corruption and rent-seeking, good governance, civil society, social exclusion, etc. Whatever the incidence of such fads in the past, and the reasons for their rise and fall, what might be termed the increasing role of academic entrepreneurship has reinforced their role. For, with pressures to publish, to serve as consultants, and to gain external funding from private or public agencies, there is a tendency to bandwagon around concepts that readily straddle popular and academic usage. In place of originality, we find ourselves wined and dined in new bottles, with old ideas recast from the cellar of the latest academic fashions.

Such are the conditions and challenges confronting social capital as it shot to prominence, not far behind globalisation in timing if further behind in weight, in the mid-1990s (refer to the table below). How has it responded?

Social Science Citation Index: citations for keywords

	Globalisation* ... & Africa*		Social Capital ... & Africa		Globalisation & SC
1990	23	0	1	0	0
1991	47	2	0	0	0
1992	52	0	2	0	0
1993	68	0	2	0	0
1994	72	0	3	0	0
1995	100	0	12	0	0
1996	173	0	14	0	0
1997	669	14	14	1	0
1998	1350	31	62	2	1
1999	1521	40	117	6	2
2000	2088	63	144	3	3
2001	2366	101	211	7	14

* Table based on keyword search, using globali* for globalisation and Africa* for Africa.

What is social capital and what is capital and what is social?

The most immediate way to explain what is meant by social capital is through the nostrum, 'it's not what you know, it's who you know that matters'. The idea is that (inter)personal connections can be favourable for outcomes. Nor is this primarily a means of pointing to the advantages and disadvantages of nepotism. Rather, from these simple origins, the notion of social capital has been extended prodigiously in scope, depth, and definitional and other problems.

First, if social capital is created out of formal and informal associations between people, other than through the market, then there are an extraordinarily large number of organisations upon which to draw, starting with the family, moving up through neighbourhoods, local communities, political and voluntary organisations, and so on. Further, these are complemented by membership or association by stratification irrespective of presence of formal organisation or not, by race, gender, class, ethnicity, region, nationality, etc. In other words, social capital encompasses an extraordinarily wide range of social phenomena and, even at this early stage of exposition, it might be doubted whether they are sufficiently common in some sense that a single term is warranted under which they can all be satisfactorily housed. There is a neat, polemical way of putting the same point. If we take just a thousand people and count the possible numbers of ways in which they could mutually organise with one another (including some, excluding others), then the answer is more than the number of atoms in the universe!⁴

Of course, proponents of social capital might argue that only a few of these opportunities are taken up in practice, and these are the ones that count. But even if this is so, if the approach is to have any analytical and policy purchase it would be necessary to understand why some have this or that social capital and others do not. To say that a child does well at school because they come from a good family or neighbourhood (one form deemed to be taken by social capital) is of interest once well-defined and properly justified in terms of influence of other variables, but it raises the more fundamental question of how do we form good families and neighbourhoods, and what makes them good or bad. As has been recognised, the social capital literature has been much more heavily focused on its effects than on its sources, not surprising in view of the capacity for any social factor to be interpreted as constituting social capital.

Second, these conundrums have in a sense begun to be recognised in the

social capital literature, by seeking to aggregate up from its many different types into a few broad categories, most notably bonding, bridging and linking social capital. These are, respectively, associations within groups, between groups and across hierarchies. Unfortunately, the world and its social stratification are not neatly organised in this fashion, with ethnicity, gender and class, for example, cutting across these classifications, representing bonding, bridging and linking social capital all at the same time.

So far, the discussion has focused primarily on the formalities of organised interconnections between people, an approach that has a longer history as network theory (and it has been perceived to fall under the social capital umbrella). But, in its more sophisticated versions, network theory acknowledges that networks cannot be satisfactorily understood simply in terms of who is connected to whom and how often. Rather, not surprisingly, the nature of the network depends upon the content of the messages and activities that they facilitate, according to Emirbayer and Goodwin (1994). Further, associational activity does not necessarily require formal organisation. As a result and thirdly, social capital has been interpreted in terms of culture, norms, trust and customs, thereby further widening its definitional scope.

Fourthly, this can all be seen in a different way by starting by way of contrast with what is supposedly non-social capital. The latter is familiar to us all in terms of a list of recognisable resources such as natural capital, fixed capital, human capital, and financial capital. Across the literature as a whole, social capital is whatever else contributes to individual or collective performance after these other forms of capital have been taken into account, a huge portfolio of potential factors. The result is that there is collective definitional chaos surrounding social capital, with authors often noting this at the outset, only to proceed regardless with their own definition, further compounding its nebulous character. But nor is social capital simply a *definitional* residual. For, by the same token, as it is accepted that differences in outcomes, across countries or regions for example, cannot be accounted for by virtue of differences in other forms of capital, so social capital must be the residual *explanatory* factor. Once again, it is being asked to do a lot of diverse work.

Fifthly, as many critics of social capital have observed, its effects are just as liable to be negative as positive. Frequent reference is made to the Mafia, Ku Klux Klan, intra-ethnic exploitation and inter-ethnic exclusion,

etc. Indeed, the conclusion seems inescapable from an analytical point of view that social capital is simply rent-seeking seen from the opposite side, although its horizons are far greater. No one ever claimed that the family or neighbourhood as such, give or take a NIMBY (not in my back yard) or two, were hotbeds of rent-seeking or corruption. One defence of social capital is that it is a resource and, as such, can be used for good or bad, just like any other resource. But this will not wash for social capital is a resource that has been given the name capital. And, leaving aside the rather special case of negative equity, negative capital is something that cannot survive since capital is something that, by its nature, must generate a profit.

This leads naturally into the issues raised in this section's headings. How does social capital understand capital as a more general category of which it is a special type? One answer, as already hinted, is that capital is simply understood as a resource, and social capital mops up all those resources that are not already included in natural, physical, human and financial capital. This conforms to the way in which orthodox economics understands capital, as something capable of generating output and hence utility. As Barr (2002a: 1) puts it in the introduction to the special issue of the *Journal of African Economies* dedicated to social capital: 'It was only in the 1990s that it became the topic of active and widespread debate. And it was only then that the true power of the concept was unleashed ... by proposing that social relations are a form of capital good'.

As a result, capital is entirely disembodied from the society and context in which it is located, a concept with universal applicability and, thereby, not confined to capitalism. In the hands of mainstream economics is the ultimate reification of all social relations. In this respect, social capital neatly performs the role of picking up where physical capital or whatever leaves off, emphasising social organisation, culture, norms, networks and trusts, etc, as more specific aspects of historically evolved organisation that allow physical capital or whatever to function more effectively.

Quite apart from the all-embracing content thereby incorporated into social capital, the result upon close examination is to depend on two closely related but separate distinctions that are hard, if not impossible, to sustain. On the one hand, social capital requires that capital in all its economic forms is in some sense not social, as if the market and non-market were separate spheres from one another from this perspective. But, as is now universally recognised from a variety of approaches, from public choice to Marxist political economy, the market and its capitals cannot exist

independent of property rights and the institutions and ideologies that sustain them. So where does physical-type capital end and social-type capital begin? On the other hand, there is a presumption that capital as such is something that is owned and exchanged between individuals, whereas social capital belongs to some if not all, and may not be exchanged and may even strengthen with use. But this is to fail to recognise that physical-type capital must also be inextricably bound within a social system, whether it be feudalism, slavery or capitalism itself. This places doubts over the presumption that often underpins the idea of social capital that we can readily distinguish where the economy ends and the social begins.

Put another way, while social capital does genuinely reflect and seek to add to the dual retreats from postmodernism and neo-liberalism, by engaging with the question of the relationship between the economic and the non-economic, it does so only with a limited understanding of capital and of the social. It is an understanding, it should be added, that generally conforms with the most recent phase of economics imperialism that itself sees the non-economic as the social means of correcting market imperfections based on individual acts of exchange of physical goods.

Tracing social capital to its source

In the social capital literature attempts have been made to discover who first used the term. No answer can ever be definite but the search for its source, like that of the Nile, is more interesting for what is discovered, or overlooked, on the journey rather than the final destination. Thus, for example, I am the only one to have pointed out, as far as I know, that the term social capital was used, somewhat inappropriately, by Marxist political economy in the 1970s, debating the role of the state in general and its fiscal crisis in particular. This is significant for indicating that, while the social capital literature, like globalisation, can in principle incorporate more or less anything, it is selective in practice, even subject to blind spots. Undoubtedly, and generally acknowledged by those who examine the issue seriously, the idea of social capital in the recent period was inspired by the French progressive sociologist, Pierre Bourdieu, at the end of the 1970s.

Bourdieu was concerned with how oppression and power are reproduced, especially through non-economic means, and with the implications for the economy and for culture. In short, in traditional sociological terms, he engaged in questions of stratification and conflict, seeking to avoid economic reductionism (that the social and cultural are simply a cover and support for

economic privilege) by emphasising the contextual specificity of the associated relations and processes, and the necessary creation of meaning in the corresponding endeavours (why are certain cultures elite and others not and how are they made so, for example). So determined was Bourdieu to avoid overgeneralisation from one process to another, and from one time and place to another, that he was obliged to generate a proliferation of capitals, not only social but also cultural and symbolic, for example. He also sought to ground his theory in empirical studies of who was connected to whom, who got access to the best education, and so on.

Over the 1980s Bourdieu had some influence on the literature but, increasingly, it was only this last part of his work that was carried forward, with its theoretical and interpretative underpinnings being overlooked and discarded. By the end of the decade, the social capital banner was ready to be taken up and run with by a sociologist at the opposite spectrum, both methodologically and politically. James Coleman, of the University of Chicago, is the most frequent point of reference for founding social capital as it is practised today. His approach had two fundamental attributes – functionalism and rational choice. He believed he had shown that coming from a good family or neighbourhood led to better education outcomes. He also wished to base all social theory on the optimising behaviour of individuals, out of which the social could be understood both as outcome and as constraint. It is no accident that he ran a rational choice seminar jointly with Gary Becker, the leading economics imperialist of the old type.

Coleman's approach to social capital may have remained little noticed but for the efforts of the person who is undoubtedly the chief proponent and populariser of the notion, Robert Putnam. In the final chapter of his book *Making Democracy Work* (1993), he seizes upon social capital for the first time to frame his argument that uneven development across Italy is to be explained by the lack of rich associational institutions in the south, a condition laid down in the 12th century and not remedied since. But Putnam's fame and influence spread once he brought social capital home to the United States. No doubt touching upon popular prejudices, he suggested that the United States was in decline because of its 'Bowling Alone', no longer engaging sufficiently in civic and associational activity, with the rise of the couch potato watching television as the leading culprit. Further, in crossing the Atlantic, Putnam became much more upbeat about the potential for restoring social capital, if only it would be recognised and deployed. Indeed, unlike the Italy's 12th-century syndrome, September 11th

is seen in Putnam's (2002) latest work to offer a great opportunity to build social capital anew, not least with the leap in levels of trust for politicians, ie a warmongering George W Bush.

It would be, and has proved, very easy to lampoon Putnam's case for social capital. His work has been savaged theoretically, historically, and empirically with little or no response on his part other than to forge ahead with his own brand of social capital entrepreneurship. And this is a serious business for Putnam is reputedly the single most cited author across the social sciences in the 1990s, an indication not only of his influence but also of the momentum that has gathered behind social capital (to be discussed in the next section).

But the next factor placing social capital on the intellectual map or, more exactly, all over the map was to come, to some extent from an unexpected quarter, the World Bank. Whilst social capital had been primarily targeted at understanding the malaise of the west, whether whole societies such as the United States, or the incidence of dysfunction in families, neighbourhoods or communities, suddenly its insights were turned upon the developing world. The World Bank adopted and promoted the idea of social capital as the 'missing link' in explaining development, or not, not least because of its view of social capital as 'the glue that holds society together'.

It is worth speculating why the World Bank should have taken the lead in deploying social capital in its own understanding of development and in its self-appointed role as knowledge bank to the development community.⁵ First, the early 1990s witnessed a crisis of legitimacy for the World Bank as it was roundly condemned from all sides, not least for the failure of its neo-liberal adjustment programmes, and its undue reliance upon market forces. Social capital offers it a more rounded understanding of the economy. Secondly, the more general response to the first factor was the launching in 1997 of the post-Washington consensus, PWC, by Joe Stiglitz, the World Bank's Chief Economist, complemented by the Comprehensive Development Framework of the Bank's president, James D Wolfensohn. The PWC is best understood as the new phase of economics imperialism applied to the problems of development, emphasising market and institutional imperfections as the barrier to progress. Indeed, Stiglitz can be considered to be the leading representative of the new economics imperialism and of its application to development, not least in his antipathy to neo-liberalism. As should already be apparent, social capital is entirely consistent

with, if not reducible to, this new brand of economics imperialism because social capital enables markets to work better. Without reference to the PWC, Barr (2002a:1) puts the role of social capital entirely within its terms of reference:

The importance of social relations has been linked to the scarcity of many forms of information and the prevalence of missing markets, poorly performing, market-supporting institutions and dysfunctional governments. Civil associations and networks of interpersonal social relations facilitate flows of information and thereby help to reduce information asymmetries. Further, these social structures both support and are supported by behavioural norms that help to solve the problem of limited commitment in the absence of formal contracts. It is these two characteristics of social capital that make it a valuable resource in any situation involving a social dilemma or a need for cooperation.

Thirdly, the World Bank has long been dominated by its economists, especially those contemptuous of the contributions that might be made by other social scientists. Social capital enabled these social scientists to be taken seriously and to be heard within the Bank. Fourthly, social capital is functional for Bank projects in two ways. On the one hand, it promotes self-help and participation at the community level. On the other hand, more cynically, it allows the Bank to influence the process of participation itself, containing and directing potential dissent. Lastly, social capital does all of these without in any way posing either an alternative economics to the post-Washington consensus, or fundamentally altered economic policies, to which it is more of an added-on feature than an opposition. Indeed, the economics of the post-Washington consensus was not to be allowed to be taken to its logical policy conclusions, as evidenced by the forced resignation of Stiglitz.

In short, the sea-change in rhetoric in the World Bank over the 1990s involved a switch from the Washington to the post-Washington consensus, marking the retreat from the neo-liberal rationale for adjustment programmes, and the simultaneous bringing back in of the social, most notably in the form of social capital. But the impact of these shifts has not, nor was it intended to be, confined to the Bank alone. Both the way in which the wider community began to address development has been heavily influenced, and the status of social capital as part of the developmental lexicon has been promoted by leaps and bounds.

Whither social capital?

From such origins, social capital has been catapulted into the position of the second-most important concept across the social sciences after globalisation. What they share in common, apart from accommodating the factors laid out in the opening section, is their gargantuan appetites. Social capital, like globalisation, can be turned to examine almost any issue, to deploy almost any methodology, method and theory, to be empirical, conceptual or technicist, to range over time, place and context, to contribute to any discipline and to interdisciplinary study, and to revamp old ideas, publications, funding proposals, and projects as if they were new. In a nutshell, social capital has been perceived to be applicable to everything from individuals to societies, whether the topic be the sick, the poor, the criminal, the corrupt, the (dys)functional family, schooling, community life, work and organisation, democracy and governance, collective action, transitional societies, intangible assets or, indeed, any aspect of social, cultural and economic performance.

In the week of writing this paper, I received a copy of an 80-page report from British Prime Minister Tony Blair's Performance and Innovation Unit (Aldridge et al [2002]), assessing the potential for social capital and mercifully closing by stating that 'it is not a simple or single magic bullet for solving all policy problems'. In addition, notice arrived of the organisation by the UK's National Health Service of a conference [held in June 2002 at a cost of £200 to participants], 'to present the findings from the Health Development Agency's major programme of research on the use of social capital to improve health and reduce health inequalities'. The guest keynote speaker was Robert Putnam, and we thought the problem was under-funding and hospital waiting lists for those without private insurance!*

But one of the best ways of recognising the scale and scope of social capital is by visiting the World Bank's dedicated website to the topic <http://www.worldbank.org/poverty/scapital>. It presents links to the following sources of social capital – families, communities, firms, civil society, public sector, ethnicity, and gender. And to the following geographical regions – East Asia and the Pacific, Latin America and the Caribbean, Middle East and North Africa, Europe and Central Asia, South Asia, South Asia, OECD Nations, and Global. And to the following topics – conceptual, crime and violence, economics and trade, education, environment, finance, health, nutrition and population, information technology, poverty and economic development, rural development, urban development, and water

supply and sanitation. Even more dramatic, and revealing, is the annotated bibliography of abstracts on social capital that has been compiled, bordering on 1 000 entries. These are marked by their extraordinary diversity. Yet, the most astonishing aspect of the bibliography is that many of the contributed abstracts, and two thirds or more of the articles themselves, do not use the notion of social capital at all! So how did they get in there? From time to time, the answer is explicitly revealed within the abstracts themselves along the lines that initial authors may not have used social capital explicitly but that is the way they can be interpreted.

Such is an inadvertent clue to the direction or, more exactly, directions being taken by social capital. It has effectively become a prism through which all social theory is being, or has the potential to be, rewritten. The process of doing so perpetrates a reductionism with three aspects. First, as already emphasised, by placing highly diverse analyses under the same social capital umbrella, they are treated as though they all have something in common at the expense of differences in their own approaches. Secondly, traditional categories of social theory such as gender, ethnicity and culture become not just a means to social capital, however understood, but social capital itself. Thirdly, precisely because social capital is an ahistorical and asocial category in the first instance, ranging from 12th-century Italy to September 11 in the hands of its most distinguished proponent, it is insensitive to specificities and contexts. That is, except as an afterthought, something to be brought back in having been left out.

Yet, because social capital can be more or less anything, this means that it has a shifting content of its own, like globalisation. Indeed, globalisation could itself be swallowed up by social capital, if it were to address the bringing together of the world into functional or dysfunctional networks of trust, culture and norms. But, as is apparent from the table, social capital and globalisation have inhabited almost entirely separate worlds.⁷ With the abandonment of Bourdieu for Coleman, and through the elusive search for the key to civil society as a positive sum game without questioning economic power and imperatives, social capital has confined itself below the level of the nation-state, has not directed itself to understanding the nature of contemporary capitalism, has tended to avoid systemic analysis and questions of power and conflict, alongside the nation-state, trade unions, and formal political organisation (surely all major sources of whatever we might mean by social capital).

This is not to say that social capital is doomed to remain as it is. There

is already evidence of some reaction against the analytical chaos that it comprises. Not only are more intermediate categories being proposed as discussed above – the bridging, bonding and linking – but also there is an attempt to bring Bourdieu back in, to allow for context and specificity. These manoeuvres raise problems of their own – such as what are the lessons to be learnt from social capital if one instance is different from another, and why social as opposed to any other denominated plethora of capitals. Only if social capitalists explicitly confront both the rational choice origins in their understanding of the social and the economic in their understanding of capital will these conundrums be addressed. But little if nothing of social capital as it is today could possibly survive the exercises.

Social capital in and out of Africa

As indicated by the table, there has been as yet a limited association between social capital and Africa. But the World Bank's bibliography offers 46 contributions. I will draw on a selection of examples to demonstrate how social capital has been, and is liable to be, used in an African context. I begin with two examples at opposite ends of the analytical and political spectrums to demonstrate both that social capital has been widely accepted uncritically and casually as a discursive tool and that it is an umbrella term adding little or no content. Robert Bates is a well-known and controversial scholar of Africa, deploying rational choice methodology. Perhaps it is not surprising that he should have been incorporated into the World Bank social capital programme, authoring one of its Social Capital Initiative Working Papers (Bates 1999), all of which can be downloaded from its website. He begins with the standard preface for the series, six or so pages that prominently feature social capital, mentioning it more than 30 times. Bates does so in the second sentence of his paper, which is concerned with ethnicity and development: 'Ethnicity is double-edged. On the one hand, ethnic groups promote the forces of modernization; phrased more fashionably, they constitute a form of social capital'. However, social capital never appears again throughout the paper, including the conclusion!⁸

The same reliance on social capital is to be found in the volume compiled by Bayart et al (1999) even though it takes a very different methodological tack than Bates with its title and thesis of *The Criminalization of the State in Africa*. For Hibou's (1999) contribution is entitled 'The "Social Capital" of the State as an Agent of Deception', and is appropriately concerned with the way in which neo-liberal policymaking in Africa has promoted corruption within the state. Yet, remarkably, social capital never makes an appearance

in the text. Similar, if less extreme, is Bayart's (1999:32) piece, entitled 'The "Social Capital" of the Felonius State'. The author reveals a total lack of familiarity with the literature, first of all by citing only Bates and Coleman, with the latter referred to as a renowned Africanist, an accolade he deserves more than Bates does for social capital. In the event, Bayart (1999:32) uses the term social capital 'to refer to the ensemble of configurations and the texture of relationships which are the outcome of sub-Saharan Africa's long historical trajectory, or rather of the cluster of historical trajectories, distinct but acting upon one another over long periods, of an entire sub-continent'. This has nothing to do with Coleman, or Bates for that matter,⁹ but is struggling to reinvent the social (or is it cultural) capital associated with Bourdieu, since Bayart 'would emphasize the abundance of distinct and sometimes contradictory cultural repertoires'.¹⁰

From Bates to Bayart, then, social capital is a concept whose authority can be picked up and used at will, primarily in a symbolic role alone, for it adds no analytical content. Much the same is true of many other studies, whether of Africa or otherwise and whether dealing in ethnicity, culture or gender, although use of social capital is rarely so lackadaisical. More weighty reliance upon social capital comes from those studies that treat it relatively seriously as a variable. In this case, we move from the culture and impact of ethnicity and corruption to the more quantitative sort of analysis associated with the determinants of growth. Bonnel (2000), a lead economist at the World Bank, is typical in uncritically accepting social capital as a variable, much like other forms of capital, and plugging measures of it into statistical regressions in order to tease out the social capital effect. That these procedures are highly questionable in any case need not detain us further,¹¹ as what is remarkable about Bonnel's contribution is his use both of such regressions and social capital to draw out the implications of HIV/AIDS for economic growth. Social capital is added as a variable as 'AIDS destroys social capital because it is tearing away at existing institutions' (Bonnel 2000:823). But social capital is ultimately merely a sideshow in promoting the conventional wisdom of structural adjustment. Astonishingly, Bonnel concludes: 'Reversing the spread of the HIV/AIDS epidemics and mitigating its impact will therefore require three sets of measures:

- *Sound macroeconomic policies ...*
- *Structural policy reforms ...*
- *Modifying further the system of incentives faced by individuals* (Bonnel 2000:849).

We could as well be addressing anything considered undesirable by the Washington institutions!

But pride of place in studies of social capital in Africa must go to those that deal with it as central. And top of these studies is the pioneering research on Tanzania undertaken for the World Bank by Narayan and Pritchett (1996). In many ways the Tanzanian study set precedents for many following in its footsteps. First and foremost, it is based on detailed household surveys. Data is collected on associations – do you belong to a burial society, for example – and cultural attitudes such as compassion, altruism, respect and tolerance. Because such variables are supposed to be indicative of trust, they are believed to encourage market activity and its efficacy. As a result, these diverse elements of social capital (and they can run to hundreds of variables in more detailed surveys) are considered to be a source of higher income, not only for those individuals who possess them but, equally, for other inhabitants of villages who do not. In a nutshell, if a village has a well-supported burial society, there are spin-offs in trust so that everyone benefits – even those who do not belong.

By means of statistical techniques, the attempt is made to tease out just how important is social capital. At times, the claims are dramatic, as made by a senior World Bank figure for the Tanzanian study, Serageldin (1997:vii):¹²

This study provides quantifiable evidence that village-level social capital – membership in groups with particular characteristics – significantly affects household welfare. In one telling statistic the study finds that one standard increase in village-level social capital increases household income per person by 20 to 30 percent. By comparison, a one standard deviation in schooling – nearly three additional years of education per person – increases incomes by only 4.8 percent.

In other words, shifting social capital is between four and six times more effective than shifting education!

(Un)fortunately, such conclusions cannot be legitimately drawn from studies of this type, as is occasionally recognised if only in passing. For Barr's (2002b:110) study of spill-over effects from entrepreneurial networks in Ghana:¹³

While efforts have been made to investigate and control for the effects of simultaneity and omitted variable bias, we need to remain cautious when drawing conclusions about causal relationships from these results.

To put it in the formal vernacular of statistics, the estimation techniques are flawed in view of model specification, multicollinearity, omitted variables, multiple equilibria, cross-section as representative of time series, and so on. The problem is that economy and society, and their mutual interactions and meanings, are being reduced to the better or worse statistical estimation of a single equation. In a sense, this is good old graph drawing, parading as analysis, only brought up to date in the age of household surveys and computer power. In informal and polemical terms, such studies are equivalent to finding that urban ghettos in the USA, or elsewhere, exhibit low income and poor infrastructure, etc, compared to white middle-class suburbs. But it tells us nothing about why one is one and the other is the other or how to get from one to the other, or even if the two are different sides of the same coin of privilege and deprivation. Do we believe that the richness and complexity of Tanzanian village life, and its levels and incidence of poverty, can be reduced to the statistical estimation of a few equations (that could equally be applied to any other circumstance)? Nor is a solution to these conundrums to be found in finer and more sophisticated estimation techniques or ever more detailed data sets (useful though these can be). For the 'marginal product' of these is liable to be swamped by the returns from a serious study rooted in the social and historical realities of Tanzania itself. And, as for policy, even a sympathetic commentator on social capital observes:

What can a policy-maker in Mexico or Turkey actually do, confronted with the evidence from the World Values Survey that they govern a low-trust society? Standard recommendations, such as attempting to eliminate corruption and improve the legal system, are nothing new, and make good sense quite independently of any emphasis on social capital. (Temple 2000)

Here, unwittingly and implicitly, is an acknowledgement of an old acquaintance, I hesitate to say friend, from African studies: western intellectual imperialism. Unambiguously, social capital derives from a few, dodgy case studies drawn from the developed world. Equally inappropriately, these have been extrapolated into grand and universal theory prior to being imposed on the rest of the world – people get sick and die in Russia,¹⁴ just as they are poor in Tanzania, because they do not have social capital. Previously, such intellectual imperialism has been heavily associated with understanding the malaise of the developing world, and especially Africa, in terms of its failure to emulate the idealised conditions and paths presumed to have been characteristic of, and taken by, the

developed.¹⁵ It might have been thought that patronising nostrums had withered away with the critique and decline of modernisation theory. But, no, social capital restores them with a vengeance.¹⁶ The twist in the case of social capital is not only is Africa seen through a false western prism, but it is also positively praised for its traditions, customs and cultures, and the light they shed back on social capital. These suddenly become transformed into potential harbingers of development, unless attached to the state, where previously they were at best irrelevant, at worst the source of social capital's alter ego, rent seeking and corruption. Moreover, with social capital, as increasingly with aloof policy discussion of ethnicity, governance, civil society, and so on, Africa becomes homogenised through contrast with the west and what it is not. Now, Africa is not only to be blamed for failing to adopt the right economic policies, it also has the wrong cultures as well, unless conforming to the dictates and potential derived from globalisation.¹⁷

In this way economic and social analyses neatly complement economic and social engineering, as can be traced through the evolution of Stiglitz's understanding of development. For, in Stiglitz and Hoff (1999), the old neo-liberal model of perfect competition is taken as point of departure:

In leaving out history, institutions, and distributional considerations, neoclassical economics was leaving out the heart of development economics. Modern economic theory argues that the fundamentals {resources, technology, and preferences} are not the only ... determinants of economic outcomes ...even without government failures, market failures are pervasive, especially in less developed countries

So the economics is about market failure, and government is about social capital, Stiglitz (1998:80).¹⁸

Traditional societies often have a high level of organizational and social capital, though this capital may not be of a form that facilitates change. But in the process of development, this organizational and social capital is often destroyed. The transformation may weaken traditional authority relationships, and new patterns of migration may sever community ties. The problem is that this process of destruction may occur before new organizational and social capital is created, leaving the society bereft of the necessary institutional structure with which to function well.

In short, the post Washington consensus and social capital are a dream ticket, conjured up in the World Bank as the filter through which to comprehend and to advise on all developmental issues.¹⁹

Conclusion by way of departure from social capital

And why not, for many have succumbed to this vision as is reflected in the meteoric rise of social capital across the social sciences, development studies and policy advice? Often this reflects the sheep-like seizure of opportunity, whether in academia, consultancy or policymaking. But even those who are well aware of social capital's legion of deficiencies have either ignored it, hesitated to criticise it, or even warmly embraced it.²⁰ Why is this?

The answer is that social capitalists believe that they are civilising economists, by bringing back in the social, correspondingly combating neo-liberalism, that they are able to avoid the worst excesses of those who use social capital casually or incoherently, that funding and research success depend upon playing the social capital game, and, whatever its deficiencies, social capital allows the role of civil society to be addressed without descending into economism. While each of these claims represents an element of truth, they are only a small part of a much bigger picture.

First, as is apparent from the current phase of economics imperialism, economists do not need to be civilised in the sense of taking account of the social – indeed, they are rampaging across it. The point is not merely to challenge how they do this, and it is worth noting that social capital is acceptable to both types of economics imperialism from the economic rationality of Gary Becker (1996) to the information-theoretic approach of Stiglitz. It is also necessary to provide an alternative economics itself, something that social capital has never even attempted. Secondly, similar arguments apply to neo-liberalism for it is already on the wane. The issue is not so much to rehearse the case for and against the market, important though this is, as to debate the economics with which it is to be understood.

Thirdly while social capital is surely more progressive and analytically secure than neo-liberalism, it still remains limited, especially when the comparison is made instead with earlier approaches to development, those of modernisation/Keynesian/welfarism and of the McNamara era, even the non-communist manifesto of Rostow. Fourthly, and from the point of view of the health of scholarship and intellectual traditions, there is a need to dispel the extraordinary and paradoxical myth perpetrated by the social capitalists – that the role of civil society or whatever in economic and social development has not previously been satisfactorily addressed. This is to ignore what has been done before and yet, to feed upon it parasitically and reduce it through the prism of social capital.

Lastly, and by no means least, preferences and fashions in scholarship, funding and policymaking have to come from somewhere even if they do feed back on their intellectual origins that are, these days, liable to be academic. Social capital has evolved from rational choice and functionalist foundations, from empirically and conceptually flawed scholarship, from the conscious or unconscious attempt to restrain the reaction against neo-liberalism, and from the wish at most to question economics from the perspective of adding social and/or political elements that conform to the latest phase of economics imperialism. If that's your cup of tea, pour away. My own taste, even responsibility, is for a drop or two of the harder stuff.

Notes

- * This paper condenses but also adds to the accounts to be found in Fine (2001 and 2002b) where comprehensive referencing and argument can be found. See also Harriss (2001) for a critical account of social capital from an Indian perspective.
- 1. For a fuller account see Fine (2001 and 2002a-c).
- 2. The expression is due to Carrier and Miller (eds) (1998).
- 3. For critical commentary on globalisation in these terms in the context of Africa, see Cooper (2001). He emphasises the rough justice done to history but does not consider the heuristic and investigative roles that might be played by globalisation in investigating Africa's complexity and diversity.
- 4. See Hodgson (2001:13) for this in the slightly different context of individualistically based theories of institutions.
- 5. See Bebbington et al (2002) for an account of how social capital came to the World Bank.
- 6. Note that the only social science conference organised under the EU's European Science Foundation programme has been on social capital, held in Exeter in September 2001, <http://www.esf.org/euresco>.
- 7. See Bayart's (2000) notion of extraversion as the means to emphasise how internal and external factors have been delinked in the study of the history of Africa.
- 8. This is remarkably common across the literature with social capital often having a token presence for material essentially concerned with something else altogether. Most recently, for example, 'social capital' only occurs a token three, five and six times across three of the articles in the special issue of *Journal of African Economies* on social capital, reflecting that it is everything and is, thereby, nothing.
- 9. See Bates (1990:54) for his understanding of culture and, significantly in the

context of social capital, the idea that it can be brought back into the analysis once having been omitted.

10. With respect to the leading social capitalist, Bayart (1999:32) diplomatically suggests, 'the use made of this concept by Putnam to analyse the governance of the Italian peninsula has captured the imagination of World Bank experts, even if it has not convinced every specialist on Italian affairs'. See especially the devastating critique on offer from Putnam's Harvard colleague, Tarrow (1996).
11. See Fine (2000) and Kenny and Williams (2001).
12. Serageldin is credited with having introduced social capital into the World Bank, Bebbington et al (2002), not least through the personal participation of Putnam.
13. See also Grootaert et al (2002:23) for similar reservations concerning instrumental variables.
14. See Rose (1999) drawing on a World Bank research project.
15. See Chang (2002) for an outstanding account of how the developed countries at their time of development would fail on all accounts on the conditions they now seek to impose on the developing countries (who also suffer the disadvantage of following on and needing to catch up).
16. Substituting social capital for modernisation, and Berman (1998:306-7) implicitly condemns the social capital approach in the context of (African) ethnicity:

Ethnicity, particularly the continuing and even increasing salience of communal solidarities in African politics, cannot be adequately understood by theories preoccupied with the reproduction of the modernist paradigm of state and society, with what Africa is not, rather than with explaining what it is. Liberal modernization theory, recycled within the anti-statist orthodoxies of the World Bank and IMF, is preoccupied with the reproduction of uncritical and idealized models of liberal democracy, the market and civil society.
17. See Amselle (2002) for (critique of) the idea that globalisation undermines the rationale for anthropology through homogenisation of the localised pre-modernity (or primitive) in order to draw contrast with the globalised modernity (or civilized).
18. Chang (ed) (2001) provides an extremely useful collection of Stiglitz's papers, covering the post-Washington consensus onwards. For critical presentation of the post-Washington consensus, see Fine (2001), Fine et al (eds) (2001), Hildyard (1998) and Standing (2000).
19. See Stiglitz (2001) for evidence that he is seeking to replace the neo-liberal paradigm with his own.
20. Most notably Bebbington et al (2002) who, from within the World Bank, argue

that social capital is to be used strategically both to incorporate economists and enhance poverty alleviation programmes, even if this means making intellectual compromises.

References

- Aldridge, S, D Halpern with S Fitzpatrick (2002) 'Social capital: a discussion paper'. Performance and Innovation Unit, UK, April, mimeo.
- Alt, J and K Shepsle (eds) (1990) *Perspectives on Positive Political Economy*. Cambridge: Cambridge University Press.
- Amselle, J (2002) 'Globalization and the future of anthropology', *African Affairs* 101(403).
- Barr, A (2002a) 'Introduction: Special Issue on social capital', *Journal of African Economies* 11(1).
- Barr, A (2002b) 'The functional diversity and spillover effects of social capital', *Journal of African Economies* 11(1).
- Bates, R (1990) 'Macropolitical economy in the field of development', in Alt and Shepsle (eds).
- Bayart, J (1999) 'The "Social Capital" of the felonious state: or the ruses of political intelligence', in Bayart et al (eds).
- Bayart, J, S Ellis and B Hibou (eds) (1999) *The Criminalization of the State in Africa*. Oxford: James Currey Press.
- Bayart, J (2000) 'Africa in the world: a history of extraversion', *African Affairs* 99(395).
- Bebbington, A, S Guggenheim and M Woolcock (2002) 'Grounding discourse in practice: exploring social capital debates at the World Bank', May, mimeo.
- Becker, G (1996) *Accounting for Tastes*. Cambridge: Harvard University Press.
- Berman, B (1998) 'Ethnicity, patronage and the African state: the politics of uncivil nationalism', *African Affairs* 97(388).
- Bonnel, R (2000) 'HIV/AIDS and Economic Growth: a global perspective', *South African Journal of Economics* 68(5).
- Carrier, J and D Miller (eds) (1998) *Virtualism: the new political economy*. London: Berg.
- Chang, H-J (2002) *Kicking away the Ladder: policies and institutions for development in historical perspective*. London: Anthem Press.
- Chang, H-J (ed) (2001) *Joseph Stiglitz and the World Bank: the rebel within*. London: Anthem Press.
- Cooper, F (2001) 'What is the concept of globalization good for?: an African historian's perspective', *African Affairs* 100(399).

- Emirbayer, M and J Goodwin (1994) 'Network analysis, culture, and the problem of agency', *American Journal of Sociology* 99(6).
- Fine, B (2000) 'Endogenous growth theory: a critical assessment', *Cambridge Journal of Economics* 24(2).
- (2001) *Social Capital versus Social Theory: political economy and social science at the turn of the millennium*. London: Routledge.
- (2002a) *The World of Consumption: the material and cultural revisited*. London: Routledge.
- (2002b) 'It ain't social, it ain't capital and it ain't Africa', *Studia Africana* 13(13).
- (2002c) 'Globalisation and development: the imperative of political economy', paper for the conference 'Towards a New Political Economy of Development: Globalisation and Governance', Sheffield, July.
- Fine, B, CLapavistas and JPincus (eds) (2001) *Development Policy in the Twenty-First Century: beyond the post-Washington consensus*. London: Routledge.
- Grootaert, C, A V Swamy and G Oh (2002) 'Social capital, household welfare and poverty in Burkina Faso', *Journal of African Economies* 11(1).
- Harriss, J (2001) *Depoliticizing Development: the World Bank and social capital*. New Delhi: Leftword Books, revised edition forthcoming, London: Anthem Press.
- Hibou, B (1999) 'The "social capital" of the state as an agent of deception: or the ruses of economic intelligence', in Bayart et al.
- Hildyard, N (1998) 'The World Bank and the state: a recipe for change?', London: Bretton Woods Project.
- Hodgson, G (2001) *How Economics Forgot History: the problem of historical specificity in social science*, London: Routledge.
- Kenny, C and D Williams (2001) 'What do we know about economic growth? or, why don't we know very much?', *World Development* 29(1).
- Narayan, D (1997) *Voices of the Poor: poverty and social capital in Tanzania*. Washington: World Bank.
- Narayan, D and L Pritchett (1996) 'Cents and sociability: household income and social capital in rural Tanzania', Policy Research Working Paper, no 1796, World Bank.
- Putnam, R (2002) 'Bowling together', *American Prospect* 13(3), February 11.
- Rose, R (1999) 'What does social capital add to individual welfare? an empirical analysis of Russia', World Bank Social Capital Initiative, Working Paper, no 23.
- Serageldin, I (1997) 'Preface', to Narayan.

- Standing, G (2000) 'Brave new worlds?: a critique of Stiglitz's World Bank rethink', *Development and Change* 31(4).
- Stiglitz, J (1998) 'Towards a new paradigm for development: strategies, policies and processes', Prebisch Lecture, UNCTAD, Geneva, reproduced in Chang (ed) (2001).
- Stiglitz, J (2001) 'An agenda for the new development economics', paper to UNRISD meeting on 'The Need to Rethink Development Economics', Cape Town, September, <http://www.unrisd.org/engindex/research/rethink.htm>.
- Stiglitz, J and K Hoff (1999) 'Modern economic theory and development', symposium on Future of Development Economics in Perspective, Dubrovnik, May 13-14.
- Tarrow, S (1996) 'Making social science work across time and space: a critical reflection on Robert Putnam's "Making Democracy Work"', *American Political Science Review* 90(2).
- Temple, J (2000) 'Growth effects of education and social capital in the OECD', paper prepared for the OECD for symposium on The Contribution of Human and Social Capital to Sustained Economic Growth and Well-Being, Human Development Canada, Quebec, March.