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**AN EVALUATION OF ROBERT PUTNAM'S
SOCIAL CAPITAL THEORY**

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Abstract

There are many societies blessed with rich resources and influential people where some members of that community still lack the basic economic resources to grow and build themselves. This is because some have in excess and some little and some do not have at all. To correct situations like this, Robert Putnam's Social Capital Theory suggests the building of trust and relationship between and among individuals in a society. The Social Capital Theory of Putnam encourages societal connectedness and the provision of resources for her citizens as means of improving economic development and growth. Aside being explored theoretically and empirically some of the assumptions of social capital theory have been challenged; its limitations as a unified concept have not been adequately tackled thus creating uneasy flow in relationship and trust. This paper therefore tries to evaluate Putnam's notion of social capital, stating that trustworthiness and connection are key to developmental growth but these qualities are not just shown to all by all. Using the evaluative method, this paper concludes that togetherness in economic building can develop the society faster and stronger rather than individually targeted which can as well provide a central means of resolving distrust and commitments among members.

KEYWORDS: Connections, Development, Economics, Social Capital, Trustworthiness.

INTRODUCTION

In recent times there has been lots of challenges as regards growth and development of the society in different areas owing to

certain inadequacies. Social scientists and development experts often puzzle to explain why economic growth and development differ significantly across countries or regions that enjoy virtually equal access to technology, resources and market in a modern global world. Explaining large economic disparities across countries having otherwise identical production environments in terms of technology and capital (natural, physical, and financial) is a major challenge for researchers. This has affected all forms of social networks and communal enhancing. The factor that allows this access lies within the solidarity of parents, friends or members of a social network. This has resulted in an increase in a variety of social problems ranging from ineffective education to economic strain, to social conflict between individuals as well as groups. The inability to constructively handle intractable conflict is the most serious and the most neglected problems facing humanity. Solving today's tough problems depends upon finding better ways of dealing with these conflicts. Development is a complex multidimensional process involving major changes in social structures, behaviors, and national institutions, as well as the acceleration of economic growth, reduction of poverty, narrowing of inequalities and improvement in the quality of life. Although Putnam's theorization is centered on the American society, his posits can be extended to the general society and the world at large for it to be a better place.

Thus, this paper examines Putnam's social capital theory as a strategy which harmonizes and strengthens togetherness amongst friends, members of a state, in unity and wealth. It questions the standard by which the commitment of trust and connectedness could be harnessed for mutual rather than selfish interest. As such, it proposes that his ideology may serve as a tool to improve the economy and societal togetherness.

THE MEANING OF SOCIAL CAPITAL

Social capital is a complex multidimensional concept encompassing repertoire of cultural and social value systems. Recently, it has become a very popular and appealing concept among social scientists. A growing number of sociologists,

anthropologists, political scientists and economists have employed the concept to explain various economic and social outcomes.

The fundamental notion of social capital is to incorporate socio-cultural factors to explain development outcomes. It has emerged as a prominent topic of discussion among academics, development specialists, and policymakers.¹ The history of social capital traces a long way back to classical economists, such as; Adam Smith and John Stuart Mill and sociologists, such as; Max Weber, who provided the cultural explanation of economic phenomena.² The concept of social capital as a topical issue, however, came into the spotlight only in late 1980s and attracted growing research interest thereafter. The scientific study of social capital is relatively new, but the growth of literature on the topic is enormous. Despite voluminous literature, there is no single, universal definition of social capital. It is often defined and measured in a pragmatic and unsystematic fashion.³

Now, at least, there seems to be some agreement on the conceptualisation and major ingredients of social capital. Social capital is an abstract idea rather than a firmly tangible phenomenon. The theory of social capital is particularly rooted on the notion of trusts, norms, and informal networks and it believes that 'social relations are valuable resources'. Social capital is broadly defined as the multidimensional phenomenon encompassing a stock of social norms, values, beliefs, trusts, obligations, relationships, networks, friends, memberships, civic engagement, information flows, and institutions that foster cooperation and collective actions for mutual benefits and contributes to economic and social development.⁴ Through it, complementarity among members is encouraged and unity in spite of diversity is promoted and built. This goal is a hallmark of Putnam's social capital when critically examined.

PUTNAM'S SOCIAL CAPITAL

Robert Putnam's approach to social capital focuses on volunteering and civic action as well as democracy and community. His treatment of social capital is one reason so

many scholars have latched onto social capital as a concept and some as a theory in itself. Communities with higher social capital have an easier time with volunteerism due to norms of reciprocity within the networks of those who are active in the community. He generally defines social capital in connection with the characteristics of organizations such as, "...trust, norms, and networks that can improve the efficiency of society by facilitating coordinated actions..."⁵ These attributes are what must be seen and considered for the effective implementation of his social capital theory. Putnam explains social capital as located in the social tie between two actors or is inherently found within a community network of relations.⁶ Thus, social capital lies within one's network and more specifically, in the relationships therein.

In a 2013 paper, Putnam uses his hometown in Ohio as a prime example of the deleterious effects the loss of social capital has on community. Specifically, he explains the experience of his classmates to bring out the need for social capital in a community and the disadvantage a community may experience due to the lack of social capital. His classmates noted that growing up they were poor and did not realize it at the time, but Putnam elaborates that what they lacked in monetary resources they made up with social ties and support.⁷ For example, a family that could not afford a car was able to hitch rides from neighbours to work and school. Thus, the lack of a car did not stop the father from making every one of his son's games. However, in that same town today, due to the absence of this mutual togetherness and trust in social capital theory, one does not find those kinds of stories and community.⁸ Consistent with the preceding, Putnam views social capital as a public good and not a privately and self-developmental theory. Social capital is formed as a by-product of some other social event, as such, he sees trust as a key indicator of social capital because of its link to the norm of reciprocity as well as the broad and localized benefits that are derived from social or generalized trust.

For Putnam, there are four important functions of social capital. First, social capital reduces the complexity of solving “collective problems.” Putnam identifies networks and social norms as the mechanisms that allow for ease in solving community issues.⁹ In other words, social norms and social interactions are the important aspects of how social capital is created, stored, and used. Second, social capital “greases the wheels” of society. Here Putnam suggests that when people are trustworthy and willing to trust others “social transactions are less costly.”¹⁰

Next, Putnam argues that social capital allows for people to achieve a common consciousness, where they realize that their lives and consequences are linked. Essentially what he is referring to is the feeling that we are all in the same proverbial “boat”. Here, Putnam draws again on social ties that are characterized by trust and which “develop or maintain character traits that are good for the rest of society”.¹¹ Thus, he asserts that “people who are “joiners” will learn to be more tolerant and empathetic because they are willing to listen to other viewpoints, while an absence of ties will mean that there is no one to stop someone from acting on “their worst impulses”.¹² Of course, he does not argue that if you have fewer social ties you will do something rotten, only that it is more likely.

Furthermore, Putnam links altruism and philanthropic endeavours to social capital. He references John Dewey’s distinction between “doing with” and “doing for”¹³ when talking about actions that are charitable and/or altruistic. Putnam argues that “social capital refers to networks of social connection – [and connects social capital to] doing with”.¹⁴ Thus, participating with others toward a common goal of helping others is social capital.

Also, Putnam further develops the concept of social capital to include bonding capital and bridging capital. One can think of the main difference between bonding and bridging social capital in terms of the type of tie or relationship that exists between two actors. The type of tie dictates the type of social capital.

1. BONDING SOCIAL CAPITAL

According to Putnam, bonding social capital refers to social resources that lie within ones' community and close network. He writes that, "Bonding social capital is good for undergirding specific reciprocity and mobilizing solidarity".¹⁵ Accordingly, bonding social capital is an exclusionary form of social capital that helps to bind people together based on their similarities.¹⁶ Bonding social capital is characterized by strong ties and close personal relationships. It references those in-groups that feed off one another's similarities and reject differences. Another way to think of bonding social capital is social resources that lie with ties to people who are "like" you. For Putnam, bonding social capital is the metaphorical equivalent to social "superglue." Thus, "thick" trust underlies bonding social capital. An example of bonding social capital would be when someone in your family dies and you need help and support. If you are a member of a church or place of worship then you expect that the minister and congregants will provide you with this social capital.

In sum, bonding social capital is based on relationships or memberships that are exclusive where some restrictions apply to membership, for example, based on race, gender, class, or kinship.¹⁷ Therefore, bonding social capital includes the ties between family members and close friends. It can also refer to memberships such as fraternities or sororities, ethnic group ties, and religious group membership. It has been said that bonding social capital can encapsulate the darker "side" of social capital, also noted by Weber as social closure, where bonding social capital can have deleterious effects on social inequality, especially where issues already exist "bonding practices can reinforce the practices of nepotism, ethnic hatred, and sectarianism, as well as sexism."¹⁸

2. BRIDGING SOCIAL CAPITAL

Bridging social capital refers to ties with resources that extend outside of one's immediate community or network, "bridging networks...are better for linkage to external assets and

for information diffusion”. Ties that can be construed as bridging social capital tend to “generate broader identities and reciprocity, whereas bonding social capital bolsters our narrower selves”.²⁰ In fact, most of what Putnam refers to as “thin” trust underlies bridging social capital.

At the empirical level, bridging social capital is involved in networking. For Putnam, “it is this form of capital that underlies people’s decision to join the Chamber of Commerce and attend conferences or other events that promote social networking opportunities that reach beyond their immediate local ties. Drawing on these examples, groups that are considered inclusive (where membership is not restrictive) are linked to bridging social capital.²¹ Whereas bonding social capital helps to create loyalty to the group and strengthen in-group membership a by-product of which can be the creation of out-group dislike or distrust, bridging social capital lies in the diversity of relationships and promotes the appreciation of differences. The preceding appears to imply an inverse relationship between the two types of social capital, where having more bonding social capital means one will have less bridging social capital. However, within his discussion on bridging versus bonding social capital, Putnam emphasizes that neither is exclusive of the other.²² Although he does not go into great detail about the process through which this happens, he rather notes that groups (his unit of analysis is at the community level) have the ability to create bonding and bridging social capital simultaneously.²³

Finally, Putnam argues that people tend to have more bonding social capital than bridging. However, bridging social capital is important to branching out and increasing the breadth of one’s social resources. He goes on to note that “bonding social capital is easier to build and maintain over bridging social capital, but that both are important, one to the well-being of one’s emotional and immediate social network, and the latter to one’s opportunities for advancement, diversity, and open-mindedness”²⁴.

THE IMPLICATIONS OF ROBERT PUTNAM'S SOCIAL CAPITAL

Social Capital and Children Welfare

Child development is powerfully shaped by social capital. Series of questioning and investigation has been carried out to demonstrate that trust, networks, and norms of reciprocity within a child's family, school, peer group, and larger community have wide-ranging effects on the child's opportunities and choices and, hence, on his behavior and development.²⁵ Although the presence of social capital has been linked to various positive outcomes, particularly in education, most research has focused on the bad things that happen to kids who live and learn in areas where there is a deficit of social capital. The implication is clear: social capital keeps bad things from happening to good kids.

The mere fact that social capital is correlated with good outcomes for kids does not mean that social capital causes these outcomes or, conversely, that a social-capital deficit is leading kids to take wrong turns in life. Besides social capital, states also differ in many other ways that might influence child well-being—parental education levels, poverty rates, family structure, racial composition, and so forth. The fact that social capital is associated with these factors makes it more complicated. Thus states with disproportionately large numbers of poorly educated adults and low-income single-parent families tend not to have as many vibrant civic communities as do states where residents have the economic luxury and practical skills to participate. Because of this complicated set of relationships among child outcomes, social capital, and demographics, we must be vigilant not to draw spurious conclusions. Instead, ones interest should be on if the observed differences across states in child well-being are linked directly to social capital itself or to some other factor or factors that influence both child well-being and social capital.

The beneficial effects of social capital persist even after accounting for a host of other factors that might affect state educational success - racial composition, affluence, economic

inequality, adult educational levels, poverty rates, educational spending, teachers' salaries, class size, family structure, and religious affiliation, as well as the size of the private school sector (which might "cream" better students from public schools). Not surprisingly, several of these factors had an independent effect on state test scores and dropout rates, but astonishingly, social capital was the single most important explanatory factor.²⁶

Unexpectedly, the level of informal social capital in the state is a stronger predictor of student achievement than is the level of formal institutionalized social capital. In other words, the level of social trust in a state and the frequency with which people connected informally with one another (in card games, visiting with friends, and the like) were even more closely correlated with educational performance than was the amount of time state residents devoted to club meetings, church attendance, and community projects. That is not to say that formal activities were unimportant. Rather, what this admittedly crude evidence is saying is that there is something about communities where people connect with one another over and above how rich or poor they are materially, how well educated the adults themselves are, what race or religion they are that positively affects the education of children. Conversely, even communities with many material and cultural advantages do a poor job of educating their kids if the adults in those communities don't connect with one another.²⁷

A second reason why students perform better in states with high social capital may be that they spend less time watching TV. The negative correlation between the average time that kids spend watching TV and the average level of adult civic engagement and social connectedness is quite powerful. (As always, we have checked to confirm that this relationship is not simply a spurious reflection of some other factor, such as poverty or race.) It seems likely that where community traditions of social involvement remain high, children are naturally drawn into more productive uses of leisure than where social connectedness and civic engagement among adults is limited. This state-by-state analysis reconfirms decades of research showing that community

involvement is crucial to schools' success. These studies have found that student learning is influenced not only by what happens in school and at home, but also by social networks, norms, and trust in the school and in the wider community.²⁸

Social capital at the neighborhood or community level clearly has an impact on child learning. But social capital within families also powerfully affects youth development.²⁹ Families that enjoy close social bonds and parents who instill the value of reciprocity in their kids are more likely to "gain a greater degree of compliance and adherence to their values".³⁰ Even holding constant interaction between loved ones among many other things can affect educational achievement, including parents' education and income, race, family size, region, and gender, children whose parents are closely involved with their kids and their kids' schools are much less likely to drop out of high school than children who lack these forms of social capital. Kids of parents who attend programs at their kids' school, help with homework, and monitor their kids' behavior outside school are likely to have higher grade-point averages, to be more engaged in the classroom, and to shun drugs and delinquent activity.³¹

The beneficial effects of social capital are not limited to deprived communities or to primary and secondary education. Indeed, precisely what many high-achieving suburban school districts have in abundance is social capital, which is educationally more important even than financial capital.

Conversely, where social connectedness is lacking, schools work less well, no matter how affluent the community.³² Moreover, social capital continues to have powerful effects on education during the college years. Extracurricular activities and involvement in peer social networks are powerful predictors of college dropout rates and college success, even holding constant pre-collegiate factors, including aspirations.³³

SOCIAL CAPITAL AND ECONOMIC PROSPERITY

Just as areas high in social capital are good at maintaining livable spaces, they are also good at getting ahead. A growing

body of research suggests that where trust and social networks flourish, individuals, firms, neighborhoods, and even nations prosper. At the individual level, social connections affect one's life chances. People who grow up in well-to-do families with economically valuable social ties are more likely to succeed in the economic marketplace, not merely because they tend to be richer and better educated, but also because they can and will ply their connections.³⁴ Conversely, individuals who grow up in socially isolated rural and inner-city areas are held back, not merely because they tend to be financially and educationally deprived, but also because they are relatively poor in social ties that can provide a "hand up"³⁵

Understanding the detailed linkages between social capital and economic performance is a lively field of inquiry at the moment, so it would be premature to claim too much for the efficacy of social capital or to describe exactly when and how networks of social connectedness boost the aggregate productivity of an economy. Research on social capital and economic development in what we once called the "Third World" is appearing at a rapid rate, based on work in such far-flung sites as South Africa, Indonesia, Russia, India, and Burkina Faso. Similarly rich work is under way on how Americans might improve the plight of our poorest communities by enabling those communities to invest in social capital and empowering them to capitalize on the social assets they already have.³⁶

For the moment, the links between social networks and economic success at the individual level are understood. You can be reasonably confident that you will benefit if you acquire a richer social network, but it is not yet entirely clear whether that reflects merely your ability to grab a larger share of a fixed pie, or whether if we all have richer social networks, we all gain. The early returns, however, encourage the view that social capital of the right sort boosts economic efficiency, so that if our networks of reciprocity deepen, we all benefit, and if they atrophy, we all pay dearly.³⁷

SOCIAL CAPITAL AND HEALTH

Health is the one place that the importance of social connectedness is so well established in promoting human's well-being. Scientific studies of the effects of social cohesion on physical and mental health can be traced to the seminal work of the nineteenth-century sociologist Émile Durkheim, *Suicide*. Self-destruction is not merely a personal tragedy, he found, but a sociologically predictable consequence of the degree to which one is integrated into society—rarer among married people, rarer in more tightly knit religious communities, rarer in times of national unity, and more frequent when rapid social change disrupts the social fabric. Social connectedness matters to our lives in the most profound way.³⁸

Finally, and most intriguingly, social capital might actually serve as a physiological triggering mechanism, stimulating people's immune systems to fight disease and buffer stress. Some studies have documented the strong correlation between connectedness and health at the community level.³⁹ Others have zeroed in on individuals, both in natural settings and in experimental conditions. These studies are for the most part careful to account for confounding factors—the panoply of other physiological, economic, institutional, behavioral, and demographic forces that might also affect an individual's health. In many cases these studies are longitudinal: they check on people over many years to get a better understanding of what lifestyle changes might have caused people's health to improve or decline.⁴⁰

EVALUATION

Social capital is a vital resource for individuals, groups, and society. It is a lubricant that facilitates getting things done; allows people to work together and to access benefits from social relationships as well as allows modern economies to function efficiently.⁴¹ Our society, economy, institutions, and political system cannot exist without social capital. Since social capital refers to the internal social and cultural coherence of society, it has been described as a glue.⁴²

For individuals, social capital is an important source of power and influence that helps them 'get by' and 'get ahead'. The popular adage: "it's not just what you know, but who you know" relates to the powerful effects and importance of social capital. For groups and organizations social capital is vital to their efficiency and even existence because it enables people to work together and facilitates cooperation and innovation. Any organization that does not consider the importance of social capital is missing an opportunity for improvement, and risking inefficiencies and peril.⁴³ For society, social capital is also important as it allows societal institutions to exist and maintains the coherence of society. It facilitates the cooperation and collaboration of different groups and organizations; encourages people to be positively social towards one another with a wide range of benefits from reduced crime and corruption, to increased helpfulness and improved cooperation.⁴⁴

Social capital a different way of thinking about the importance of sociability that has always been important to humans. In fact, from an evolutionary point of view humans could not have survived without what we now call social capital. The ability to work together and cooperate for mutual benefit was essential to survival and continues to be vital to the functioning of our society and economy. The concept of social capital frames social and cultural processes as beneficial, important, and valuable using the language of our dominant paradigm: capitalism. There can be no mistaking the value of the 'social' when it is attached to the label 'capital' and this can be readily appreciated by scholars from economics to accounting and all of the social sciences as well as people in politics, business and all other organizations.⁴⁵

Although scholarship attests to the perceived robustness of social capital as a potentially useful academic concept, there remains, however, a number of criticisms concerning its implications as a theory, and in terms of the type of explanations it affords. These criticisms are derived from a range of perspectives and assumptions rather than from a unified critique; nevertheless, their collective force is itself in some way parallel to the multiple perspectives invoking social capital in support of a wide range

of phenomena. To address the challenge of demonstrating the relevance of a social capital lens, it will be necessary to develop a structure robust enough to simultaneously address each of these criticisms. Although, these criticisms are numbered, but not according to any priority. The first three criticisms address the reflexive nomenclature of the concept – the social, capital and theory aspects of the concept.

Social capital is a concept based on a misleading metaphor – it isn't capital. Social capital seems to be different from other types of capital as described by economists. While this need not be a problem for the concept if it is coherently explained in relation to other forms of capital, or as a complementary part of the family of capitals, its difference to the conventional notion of capital, although has been acknowledged, it is rarely interrogated. One example of such rare interrogation is found in economist Kenneth Arrow's work. Arrow argues that the word "capital" implies three elements: extension in time; an intended sacrifice for deferred benefit; alienability. He concludes that the concept of social capital lacks each of the three elements required to be a genuine example of capital and therefore found no reason for "adding something called 'social capital' to other forms of capital".⁴⁶ Further to this, those outside economics recognize that the difference with other forms of capital weaken the explanatory power of the concept through confusion with the functions of other forms of capital. For example, Samuel Bowles argues that while the concept "social capital" might describe important relationships, the term itself and the way it is conceptualized in the literature, is so unlike other forms of capital that the term "social capital" should be abandoned. He asserts;

Capital refers to a thing possessed by individuals; even a socialisolate like Robinson Crusoe had an axe and fishing net. By contrast, the attributes said to make up social capital—such as trust, commitment to others, adhering to social norms and punishing those who violate them—describe relationships among people.⁴⁷

Similarly, Robert Solow argues that the term social capital is an attempt to build on a bad analogy. He illustrates this in a powerful way by stressing that even by asking simple questions to develop the analogy (e.g. What is social capital a stock of? What is its rate of return?), it breaks down, a simple strategy that Solow demonstrates: “is the quickest way to explain why one doubt that ‘social capital’ is the right concept to use”.⁴⁸ Solow concludes that he does not see how dressing this set of issues in the language and apparatus of capital theory helps much one way or the other.⁴⁹

Claude Fischer argues that the term “social capital” is unnecessary as other clearer and simpler terms, such as membership, trust and sociability, serve perfectly well on their own.⁵⁰ Indeed, even the supporting concepts of social capital, such as “bridging” and “bonding” fit better with a different metaphor, such as ties or association, while many of the reasons for using the term are based on conjecture, for example that trust norms are closely related to networks. A further danger is that the argument becomes susceptible to a slippery slope argument, i.e. that other features able to alter productivity are also a form of “capital”. Even before the content of the concept is examined, the use of the word “capital” is a hindrance that must be addressed and its meaning fully unpacked: The phrase itself is a problem. It is a metaphor that misleads: Where can I borrow social capital? What is the going interest rate? Can I move some of my social capital off-shore?⁵¹ Indeed, Joel Sobel argues that even though “the strengths of the analogy are not persuasive enough to justify the terminology” the use of the term “social capital” can be justified because existing literature builds on this strategy and provides: convincing evidence that the topics under the social capital umbrella are worthy of study, and application of economic principles can provide important insights. A vague keyword is not sufficient reason to condemn a promising line of research.⁵²

Social capital is a concept indicative of the colonization of sociological territory by fundamentally economic notions – it

isn't social. While scholars identify sociologists, such as Pierre Bourdieu and James Coleman as key figures in the development of social capital, there is the suggestion that it remains a fundamentally economic concept, fitting closely with the work of rational choice economists, such as Gary Becker, and, as such, it is a Trojan horse through which mainstream economists seek, to occupy terrain that had been the preserve of sociologists. Using the phrase probably allows sociologists more access to the ears and wallets of the powers-that-be than simply writing about, say, friendship and church attendance. On the other hand, the term has reciprocally allowed economists to colonize sociologists' topics.⁵³

In this way social capital is not an expansion though economic considerations, but a reduction to economic thinking. Ben Fine and Francis Green develop a similar argument, that as well as being indicative of an unhealthy colonization of the other social sciences by economics, social capital is also based on a reductionist argument. Both economists and sociologists argue that the concept is "reductionist across a number of dimensions: to the individual, to utility maximization and to universal categories."⁵⁴ Indeed, even without this direct reduction to economic concepts that Fine and Green identify, social capital can be perceived as a reductionist concept even when its use purports to give a "social context" to relationships. This is because it erases the social in order to introduce the component used to contextualize it – simultaneously reifying the social and reducing it to characteristics of something else. Turning to Fine again: "social" as attached to capital to mark a distinct category is indicative of the failure to understand capital as social in its economic, putatively non-social form.⁵⁵

Social capital is not an explanation but rather a tautology. A key weakness, even for some of the most influential social capital explanations, is that they begin with the effects of social capital and describe the differences between positive and negative examples in terms of the way social capital has been responsible for producing these effects.⁵⁶ These explanations are thus not

explanations at all, but rather circular arguments. As Portes points out, when Putnam argues that a town is “civic” because it has civic participation and “non-civic” if it doesn’t, it explains nothing since: “equating social capital with the resources acquired through it can easily lead to tautological statements”.⁵⁷ Untangling the causes, effects, correlations and conjunctions is a difficult undertaking when dealing with networks and complex interdependencies, and bold claims should be based on theory, a mechanism, excellent case studies or other solid empirical findings, preferably triangulated with other data.

Related to the previous criticism of circularity is the problem of the direction of causality. Changes in social capital and changes in communities, even if they are related, it is difficult to show which direction causality originated. While circumstantial evidence suggests that social capital, as measured in terms of active participation in associations that knit society together is associated with perceptions of decline in the community if the two are causally related, its direction that has not been fully resolved, as Steven Durlauf notes: Do trust-building social networks lead to efficacious communities, or do successful communities generate these types of social ties? For Darlauf, “as far as he knows, no study has been able to shed much light on this question”⁵⁸.

Social capital, as outlined in the literature, can be a hindrance to economic success, with different types of negative externalities, barriers to meritocratic and efficient decision making. Social capital has a dark side. A further set of problems for the concept of social capital relate to the negative effects of social networks. Social capital, as described by leading advocates such as Robert Putnam, relates as much to the negative consequences of networks as to the positive in other to point out how the positive side of social connectedness outweighs the negative side of it.

The concept is difficult to operationalize, attempts to do so have been inconsistent and they obscure the way more specific concepts have been applied. The concept of social capital remains somewhat indistinct, but other imprecise concepts have been useful to the social sciences, often with their importance

emerging though the process in which they become operationally defined, as with many of the core concepts of critical geography. Attempts to operationalize social capital in explaining innovation illustrate that once unified, the concept explains very little even when identified as a contributory factor.

For example, Landry, Amara, and Lamari examine the relationship between innovation and six forms of social capital, five structural (business network assets, information network assets, research network assets, participation assets, and relational assets) and one form of cognitive social capital (reciprocal trust). Their conclusions, based on statistical regression, seem to suggest that marginal increases in social capital “contribute more than any other explanatory variable to increase the likelihood of innovation of firms”⁵⁹ Indeed the findings are robust and based on excellent research practices but do not explain the processes that social capital was supposed to explain until it is separated into a number of component parts.

CONCLUSION

Social structures, cultural norms and values, and institutions affect economic behavior through multiple direct and indirect channels and, hence, they are critical in understanding sustainable economic development. Successful explanation of economic development, thus, has to transcend beyond narrow measures of mere income growth to encompass social, cultural, and political variables. In the past, mainstream economic models focused primarily on standard factors of production and they largely ignored the socio-cultural dimensions. This research has so far demonstrated that the concept of social capital in the thought of Putnam as very interesting as it is, has a number of serious weaknesses. Although the nature of its weakness is not that it is based on fallacious interpretations or incorrect descriptions but rather that it produces descriptions that retain unresolved tensions. Therefore, the need for social capital connectedness strengthens community bond and unity. It helps everyone to be active and economically productive.

In conclusion, this concept is a useful heuristic and can help, in particular, in reinserting value into social science discourse, overcome disciplinary boundaries and provide a link between the micro, middle and macro levels of analysis. It can help checkmate individual excesses as well as communal misguides. Hence, as an academic discourse, it serves as a theory that can liberate a community from penury and economic backwardness.

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