Toward a theory of social capital definition: its dimensions and resulting social capital types

Eleonora Lollo

Eleonora.Lollo@euromed-management.com

PhD candidate, DEFI Aix-Marseille Université
Research Assistant, GRIDS Euromed Management

Introduction

Despite the fact that the concept of social capital has been increasingly invoked within social sciences, social capital theory has not attained a full theoretical status. The aim of this paper is twofold. First, identifying social capital dimensions, we contribute to a conceptual clarification of the definition of social capital. Second, we develop a descriptive theory to illustrate how the combination of social capital dimensions results in different types of social capital. These two original contributions provide new insights on different functions of social capital and on its measurement at the individual level.

A list of social capital definition is proposed from literature, laying out explicit and implicit positions on the essence of social capital, here conceived as those actual or potential resources gained from relationships and memberships in groups. Starting from the well-known conceptualization of social capital as a function, we identify those functions usually investigated by economists: social capital as productive asset, facilitating economic transactions; as a factor enhancing trust, thus resulting in cooperation; as a potentially harmful endowment, when groups behave as rent-seeking organizations. We develop this analysis to demonstrate that if we want to defend the existence of social capital we must identify a group of dimensions as funding elements of these different functions. We thus extract a minimum amount of dimensions characterizing social relationships and groups -hierarchy, homogeneity, and frequency- able to explain these functions and we argue that they are the dimensions that identify social capital.

Then we explain how combinations of these dimensions compose four types of social capital –identifying, linking, bridging, and bonding social capital-. Identifying social capital is a new type we add to existing literature and the other three receive new insights on their nature and
composition. We explain how the composition of these types of social capital differently influences the quality of resources available to individuals, the efficiency within the group and the level of trust.

These contributions aim to reinforce a social capital theory able to explain how social relationships and group membership provide individuals with a specific set of resources. In particular, the autonomy and identity of the concept of social capital is reinforced by the possibility of identifying and measuring social capital dimensions. Depending on social capital dimensions that characterize individuals’ relationships, individuals will result with a specific set of social capital types, then with a specific amount of expectations and obligations that will shape their economic behaviors.

I. A light on the definitions of social capital: a reading grid to unify different approaches

A fundamental difference exists between social capital approach and social capital theory. The first one focuses on broadening the vision of economists to include some other intangible resources to what they were used to think about “capital”. The second one attempt to articulate a fundamental question in a systemic way: what is social capital? What does a social capital theory offer that is not found in other theories? Social capital approaches introduced in economics the idea that “social” matters and proposed a great variety of contributions ranging from micro to macro perspectives. Unfortunately this remarkable amount of contributions did not provide to the concept a full theoretical status. The new challenge is then to pass from social capital approach to social capital theory.

The first step is to provide a shared definition of social capital. Considering the impressive amount of literature dedicated to social capital a table is here proposed. Table 1 (in the Appendix) shows the evolution and variety of social capital’s definitions during the last century highlighting three main aspects. First, the link all definitions implicitly or explicitly make between social capital and social embeddedness of economic actors. Second, the great variety of components (also cited as “forms” or “dimensions”) constituting social capital. Third, a certain amount of functions social capital is supposed to perform. Keeping as reference point this table, Table 2 (in the Appendix) reorganizes these contributions to categorize the great variety of
functions attributed to social capital. The scope of these two tables is to underline what is shared and which are main areas of argument to understand where this confusion comes from.

It is here important to specify that in the present article we refer to social capital at the individual level. We acknowledge that social capital is also conceived as a property belonging to aggregate levels as organizations or communities and in this article we cite main contributions also in these directions. We also implicitly consider that the investigation of social capital at different levels is not a mere sum up of individual endowments. However, in the present study we focus on the individual level and leave the issue of aggregation to future investigations. This means that we analyze definitions, functions and dimensions attributed to social capital in general with the final purpose of identifying those that best describe the individual endowment of social capital.

[TABLE 1 here]

Since the appearance of the term “social capital” at the beginning of the twentieth century it became clear that this concept was trying to capture the influence of some intangible resources linked to the sociality of individuals. In the words of Lyda J. Hanifan, who is credited with introducing the concept: “I do not refer to real estate, or to personal property or cold cash, but rather to that in life that tends to make this tangible substances count for most in the daily lives of people: namely good will, fellowship, sympathy, and social intercourse among the individuals and families who make up a social unit, the rural community.”(Hanifan 1916), p130). We recognize the same recurrent idea when examining major definitions proposed during the seventies (Loury 1977), the eighties (Bourdieu 1980; Coleman 1988), the nineties (Burt 1997; Fukuyama 1999; Knack and Keefer 1997; Putnam, Leonardi and Nanetti 1993) and the last decade (Dasgupta 2005; Esser 2008; Fafchamps 2006; Sen 2003; Woolcock and Narayan 2000). We resume this idea saying that social capital refers to embeddedness (Granovetter 1985). Following this perspective, it is impossible to understand behaviors of economic actors without taking into consideration the social structure in which these economic actors are embedded. This is probably the only widely acknowledged understating of social capital. For this reason we consider as reference definition of social capital the one proposed by Bourdieu, as he first clearly defined social capital as those “actual or potential resources which are linked to possession of a
durable network of more or less institutionalized relationships of mutual acquaintance and recognition, or in other words, to membership in a group” (Bourdieu 1986).

Examining those dimensions cited as main components of social capital we do not find a systematic approach clarifying what is part of social capital and what is not. In particular we identify three main categories. A first strand of definitions focuses on the identification of social capital with networks. This structural perspective of social capital emphasizes the social structure in which individuals operate. Thus it focuses on networks characteristics and the position of individuals within networks to understand both the functioning and efficiency of the entire network and the range of benefits potentially available to individuals (Burt 2000; Granovetter 2005; Lin 2008; Sabatini 2006; Sciarrone 2002). The second strand of definitions moves the attention from structure to a specific characteristic of social relationships: the presence of trust. These contributions make an implicit assumption: not all networks and not all relationships are conducive to social capital but only those characterized by trust and reciprocity among individuals (Beard 2007; Bjørnskov 2003; Cassar, Crowley and Wydick 2007). Finally the third strand merges the previous two proposing a more complex definition of social capital linked both to networks and the related social norms. The attempt is to capture the amount and the quality of associational activity, the participation to civil society and the level of solidarity at the community level (Knack and Keefer 1997; Miguel, Gertler and Levine 2006; Narayan and Pritchett 1999; Putnam 2001; Woolcock and Narayan 2000). The last two strands often propose analysis at the aggregate levels, even if the components make reference to individual belongingness to groups.

How to deal with this diversity? The main problem underlined in this study is that social capital dimensions proposed by the existing literature focus either on input and output of social capital accumulation or on the structure in which the mechanism of accumulation happens. On the first side, trust and social norms are fundamental preconditions and outcomes of the process but not dimensions. As we will argue later on this article, social capital raises the possibility, do not guarantee, that individuals trust one another (Ahn and Ostrom 2008; Dasgupta 2005). Moreover, the use trust and social norms mixes up borders between different aggregation levels. For example when considering social capital as generalized trust (Bjørnskov 2003) we implicitly assume that the accumulation of social capital through social relationships within different groups and levels results in a positive level of generalized trust. Similarly when considering social norms
formation and their role in sustaining the pursuit of common objectives (Putnam, Leonardi and Nanetti 1993), we ignore that in society contrasting social norms may exist and different groups might be able to turn some of them for their rent seeking purposes (Warren 2008). On the other side the structural perspective focuses on the right level (the individual and the group he belongs to) but skips the step of the identification of social capital dimensions. In this sense we contribute to the structural perspective. We make explicit those dimensions that provide individuals with those intangible resources that enable them to band together to reach common objectives. These intangible resources are social capital, the amount of expectations and obligations linked to being member of a group. The underlying dimensions are then the characteristics of the social relationships of an individual that will shape his set of expectations and obligations and finally influence his capacity for coordination, cooperation and for engage in any form of exchange.

To identify these dimensions we leave the focus on social capital definitions and their underlying components and move to the analysis of acknowledged functions attribute to social capital. Instead of establishing and defending \textit{a priori} a definition of social capital we take into consideration Coleman's observation that social capital "is defined by its function. It is not a single entity but a variety of different entities, with two elements in common: they all consist in some aspect of social structures, and they facilitate certain actions of actors -whether persons or corporate actors- within the structure." (Coleman 1988), p.98. Following this perspective, we analyze the functions attributed to social capital and finally derive the minimum amount of dimensions able to explain these different set of functions. Through this process we systematize the different definitions of social capital proposed so far and we offer a new explanation of social capital essence and composition.

[TABLE 2 here]

The first function is directly linked to the understanding of social capital as “capital”. The interest here is to investigate the productive aspect linked to those resources identified as social capital (Antoci, Sacco and Vanin 2005). Social capital is then described as an investment (whether or not intended) in social relationships that makes available to individuals a stock of resources raising returns form individual and joint efforts (Ostrom 2001; Warren 2008). In this sense we understand that social capital is a private good in the sense that it is accumulated by
individuals. Nevertheless, it has also some public aspects because returns are also linked to the group and network the individual belong to. This function is fundamental for the existence of a social capital theory in economics. It provides a common ground to analyze and compare social capital with other forms of capital, as human and physical capital. Also, it considers social capital as an independent and fundamental input for the achievement of certain ends (Coleman 1988).

To better understand this mechanisms it is necessary to observe another set of functions: the role of social capital for coordination (Ahn and Ostrom 2008). The intuition behind this set of functions is that social embeddedness provides individuals with a balanced set of expectations and obligations fundamental to coordinate individual actions and to engage in any exchange (Boix and Posner 1998; Fukuyama 1999). The investment in social relationships, the belongingness to groups, provides to group members a certain set of expectations towards others’ trustworthiness and vice versa will also constrain individuals’ actions to the respect of their obligations (Coleman 1990). This balanced mechanism of expectations and obligations within groups explains why there are mainly in-group benefits associated to social capital (Antoci, Sacco and Vanin 2005; Hayami 2009; Narayan and Cassidy 2001; Woolcock and Narayan 2000). The fundamental function attributed to social capital is then the ability of people to group together to obtain some collective benefit. These benefits are for the entire group as well as captured by individuals within the group (Burt 1997; Warren 2008). There are of course also some out-group benefits that have been investigated and that accrue from the same capacity of individual to cooperate for the achievement of collective needs (Alesina and La Ferrara 2002; Beard 2005; Putnam, Leonardi and Nanetti 1993).

The third set of functions analyzed focuses on a complementary aspect of cooperation that is the role of social capital for rent-seeking purposes. The capacity for coordination within group and the attainment of some common objectives is potentially conducive to some individual and social benefit. But the amount of benefits and the distribution of them will finally depend on the nature of the relationships, the group and the objectives pursued by its members. Moreover, a part from the nature of the group, also the institutional setting in which formal and informal organizations evolve will influence the conduct and outcomes of in-group cooperation (Coleman 1988; Portes 1998; Sciarrone 2002; Warren 2008; Woolcock and Narayan 2000).

So far, the analysis of those functions attributed to social capital reorganized the wide variety of contributions allowing for some preliminary conclusions. Social capital is an intangible
form of capital that is accumulated by individuals when they engage in social relationships. This investment can be intentional or not but enables an individual to engage in certain actions and to raise certain benefits otherwise impossible to reach. Because of the relational nature of social capital there are both private and collective benefits for the individual and the other group members. Depending on the nature of the group, its objectives and the institutional setting in which it evolves, social capital may cause either positive or negative outcomes to the social welfare. The missing link is to provide for a clear description of social capital dimensions able to explain this variety of functions.

II. Social capital dimensions: frequency, homogeneity, and hierarchy.

Social capital dimensions identify those characteristics of social relationships that make available to individuals a certain amount of intangible resources, expectations and obligations, necessary to coordinate and reach some benefits. Overviewing social capital literature presented so far and looking for additional contributions from collective action theory and cognitive psychology we selected a minimum amount of characteristics able to perform social capital’s functions. These characteristics are frequency, homogeneity, and hierarchy. Table 3 (here below) illustrates and defend our understanding of these characteristics and their role in social capital accumulation.

| TABLE 3 |
| Sorting Rationales for Social Capital Dimensions |

<table>
<thead>
<tr>
<th>Frequency</th>
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</thead>
<tbody>
<tr>
<td>“Thus we find that social capital appears to grow with positive (past) experiences.”, (Cassar, Crowley and Wydick 2007), p. F103</td>
</tr>
<tr>
<td>Frequency of interaction enhances closure. (Coleman 1988)</td>
</tr>
<tr>
<td>Frequency as quantity of social capital. “(…) frequency of membership and the characteristics of groups. We created an index of the village associational life, which we argue is a proxy for social capital.” (Narayan and Pritchett 1999), p.872</td>
</tr>
<tr>
<td>“The frequency of interactions among community members, lowers the costs and raises the</td>
</tr>
</tbody>
</table>
benefits associated with discovering more about the characteristics recent behavior and likely future actions of other members.” (Bowles and Gintis 2002), P.F42.

- Infinite repetition can give rise to the evolution of behavior that exhibits reciprocity-like features (Sethi and Somanathan 2003), p.1

### Homogeneity
- “(...) the number of common characteristics among members.” (Cassar, Crowley and Wydick 2007), p.F102.
- “Homogeneity of members is preferred because it reduces information asymmetries and may make it easier to employ social sanctions against default.” (Grootaert 1999), p.43.
- Homogeneity as “(...) in a group in which membership is “exclusive” to a particular clan or ethnic group” (Narayan and Pritchett 1999), p.872

### Hierarchy
- “(...) the extent to which the redundancy can be traced to a single contact in the network.”;
  “In the extreme case a network is hierarchical in the sense that is organized around one contact” (Burt 2000), p.35
- “(...) in hierarchically structured extended family setting, in which a patriarch (or “godfather”) holds an extraordinarily large set of obligations that he can hold in at any time to get what he wants done.” (Coleman 1988), p.S103.
- “(...) villages in traditional settings that are highly stratified, with certain wealthy families who, (...), have built up extensive credits that they can call in at any time.” (Coleman 1988), p.S103.
- “Hierarch facilitates observation”; “(...) distinctive contributions is establishing rules and making allocative decisions” (Collier 2002)

In our understanding social capital is accumulated through social relationships. The first characteristic that plays a role in this accumulation process is the frequency of contacts between two individuals or between an individual and the group he belongs to. Frequency raises social capital because the repetition of interactions is the funding element of reciprocity among individuals. Expectations and obligations will build up and evolve together with interaction and the highest is frequency the clearest is the set of expectations and obligations between two individuals. A part from the interaction between two selected individuals in the group, also the frequency of interactions within the whole group raises the accumulation of social capital because
it enhances closure. When group members are well-connected one each other information flows efficiently and monitoring is less expensive.

A second characteristic has been extensively cited in social capital literature: homogeneity. Homogeneity means that individuals share some common value or interest. In reference to groups it is possible to make a distinction between homogenous groups, in which membership is exclusive for those people representing a certain value or interest, and heterogeneous groups, in which people gather together to perform an action or reach an objective that is not linked to their values or interests. Homogeneity raises social capital accumulation but not trough the mechanism of repetition. Because people belonging to the same group feel that they share some common values they do not need to interact to define their respective expectations and obligations. Information asymmetries are automatically reduced and monitoring is applied through social sanctioning.

The last characteristic completing the picture is hierarchy that can be defined as the degree of concentration of contacts around a single individual within a group. Hierarchy raises social capital accumulation because it makes the allocation of expectations and obligations clearer. In formal organizations, with well-defined hierarchy, information flows and decisions are effective because rules and roles are clear and monitoring is well-structured. Considering social capital accumulation it is important to consider not only the hierarchization of the entire group but also the relative position of the individual within this structure. In fact, if the individual is positioned at the very top of the hierarchy he will probably profit of a higher amount of expectations in comparison to the obligations towards other group members, and vice versa at the bottom he will be constrained by a higher amount of obligations.

We then argue that these three dimensions are the ones identifying social capital because they characterize the set of expectations and obligations linked to individual membership to groups. It is therefore necessary to understand how different combinations of these characteristics differently shape individuals’ expectations and obligations. The development of this final contribution thus explains how social capital dimensions compose different social capital types and this is finally the reason of the great variety of functions and outcomes linked to social capital accumulation.
III. Social capital types: identifying, linking, bridging, and bonding social capital.

Social capital literature already proposed social capital types to explain the variety of characteristics, functions and outcomes associated to the social functioning of the economic structure. Especially network analysis and the structural perspective categorized different groups recognizing that they specifically contributed to the capacity of individuals to gather together and to the outcomes of cooperation. We briefly illustrate the contribution proposed by Sabatini that we consider as reference point for the development of our contribution. In his words, social capital, that is identified with social networks, is composed by: “informal networks of strong families ties (bonding social capital), informal networks of weak bridging ties connecting friends and acquaintances (bridging social capital), formal networks connecting members of voluntary organizations (linking social capital) and formal networks of activists in political parties. " (Sabatini 2006), p.23. In his understanding these different types of social capital have not only different characteristics but also different in and out-groups outcomes. We contribute to this literature adding a new social capital type. Most importantly we are able to explain, using a unified theoretical framework, why these social capital types all belong to the same understanding of social capital and at the same time present different characteristics and perform different outcomes. We decided to keep the labels proposed by Sabatini because they describe the intuition behind each type of social capital but we provide new insights to the composition and functioning of each of them. Figure 1 visualizes social capital dimensions and the resulting social capital types. Each type of social capital and the variety of intangible resources available to the individual is then described as a specific mix of social capital dimensions.
Identifying social capital results from the predominance of homogeneity and hierarchy. These characteristics describe all those social relationships developed in formal groups whose identity and function is linked to some common value or interest shared among participants. We may think to political or religious affiliations. Frequency might be also a characteristic of this type of social relationship but it is not the principal one. Ties and the resulting expectations and obligations are developed because of some similarity among individuals not because of frequent activities. The hierarchization of the group clearly defines in-versus out-group identity that is reinforced also by the homogeneity of individuals. Members monitor one another through social sanction and at the same time the group structure provides some individual with a larger amount of expectations (we may think to the political or religious leader) that can be used to reinforce his control over the group.
Linking social capital is defined by the combination of hierarchy and frequency. This implies that we still refer to those social relationships developed within formal organizations, that are by definition hierarchized, but whose ties are strengthen by frequency of interaction instead of homogeneity among individuals. These relationships are found for example among co-workers. The characteristics of linking social capital raises the efficiency of the actions performed because of the good coordination and interdependence among actors due to the well-definition of roles within the group and the repetition of interactions that enhances reciprocity between actors. Moreover the absence of homogeneity implies that the identity of the group and its objectives are tasks oriented instead of value oriented, concentrating the efforts towards productive activities.

Bridging social capital results from the combination of frequency and homogeneity. We refer here to informal groups. We may think to those relationships developed among friends or within leisure groups. Hierarchy is absent or it is not the dominant characteristic as people gather together motivated by similarity and without a clear productive purpose. The group is characterized by open access and expectations and obligations evolve together with the repetition of contacts. Because of these characteristics individuals highly trust one another and feel that they share some common value.

The last social capital type is the combination of all the three characteristics. Relationships characterized by frequency, hierarchy and homogeneity shape strong ties between individuals and clearly define in versus out-group identity. The perfect example of bonding social capital is found in family networks in which roles are defined, individuals feel that they share a common identity and they meet frequently, thus reinforcing the strength of expectations and obligations among them.

Of course, each individual will belong to a complex set of networks characterized by different combinations of these dimension. Thus, each individual will be endowed by a specific set of social capital types. This specific set will define the amount and variety of expectations and obligations individuals are exposed to. As we explained in the previous sections, this set of expectations and obligations is the individual endowment of social capital and will shape his ability to coordinate with others and within organizations to perform activities and raise benefits. Also, this mechanism will result in some in-group benefits and, depending on contextual characteristics, out-group outcomes.
IV. Conclusions.

Contributions proposed so far were developed along two main axes. First, we illustrated a conceptual clarification of the definition of social capital identifying social capital dimensions. Second, we developed a descriptive theory to explain how the combination of social capital dimensions results in different types of social capital. These two original contributions provide new insights on different functions of social capital supporting a general evolution from social capital approach to social capital theory.

Two principal directions must be developed by future research. First it is necessary to explain the model dynamics. It is in fact assumed that all social capital types tend to evolve towards bonding social capital because of the self-reinforcing relationship between social capital dimensions (hierarchy, homogeneity and frequency). Also, it is important to understand how each characteristic contribute to social capital accumulation and which are the effects of each social capital type concerning in-group and out-group outcomes. We already made some reference to different effect on information flows, levels of reciprocity, efficiency within the group, trust among individuals. It is therefore necessary to systematize and empirically investigate these relationships. Second, it is also necessary to operationalize social capital dimensions and types to build up a social capital index. This will not be an easy task as we know all the limits previous empirical studies dealt with. However we think that once a coherent theoretical framework is provided, it should be easier to deal with methodological questions and limits in the availability of data. This is of course a fundamental step also for the investigation of model’s dynamics.

The long-term objective is to provide for a comprehensive understanding of social capital definition and functioning and to assess its impact and role in the social functioning of the economic structure.
### TABLE 1
What is social capital? A Chronology

Legend:

**Social capital components**

Social capital is linked to group membership

Functions linked to social capital

<table>
<thead>
<tr>
<th>AUTHOR</th>
<th>YEAR</th>
<th>SOCIAL CAPITAL</th>
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<tbody>
<tr>
<td>Hanifan, Lyda. J.</td>
<td>1916</td>
<td>“I (...) refer to (...) that in life that tends to make this tangible substances count for most in the daily lives of people: namely <strong>good will</strong>, <strong>fellowship</strong>, <strong>sympathy</strong>, and <strong>social intercourse</strong> among the individuals and families who make up a <strong>social unit</strong>.” (Hanifan 1916), p.130</td>
</tr>
<tr>
<td>Loury, Glenn C.</td>
<td>1977</td>
<td>“(...) to represent the consequences of <strong>social position</strong> in facilitating acquisition of the standard human capital characteristics.” (Loury 1977) p.176</td>
</tr>
<tr>
<td>Bourdieu, Pierre</td>
<td>1980</td>
<td>&quot;(...) est l'ensemble des <strong>ressources actuelles ou potentielles</strong> qui sont liées à la possession d’un réseau durable de relations plus ou moins institutionnalisées d’interconnaissance.” (Bourdieu 1980) p.2</td>
</tr>
<tr>
<td>Bourdieu, Pierre</td>
<td>1986</td>
<td>&quot;(...) the aggregate of the <strong>actual or potential resources</strong> which are linked to possession of a durable network of more or less institutionalized relationships of mutual acquaintance and recognition which provides each of its members with the backing of the collectively owned capital.” (Bourdieu 1986), p.248</td>
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<tr>
<td>Coleman, James S.</td>
<td>1988</td>
<td>&quot;(…) is defined by its function. It is not a single entity but a <strong>variety of different entities</strong>, with two elements in common: <strong>they all consist in some aspect of social structures</strong>, and <strong>they facilitate certain actions of actors</strong> -whether persons or corporate actors- within the structure.&quot; (Coleman 1988), p.98</td>
</tr>
<tr>
<td>Coleman, James S.</td>
<td>1990</td>
<td>“The function identified by the concept “social capital” is the value of <strong>those aspects of social structure</strong> to actors to realize their interests.” (Coleman 1990), p.305</td>
</tr>
<tr>
<td>Putnam, Robert D., Robert Leonardi and Raffaella Y. Nanetti</td>
<td>1993</td>
<td>“<strong>Features of social organization</strong>, such as <strong>trust, norms, and networks</strong>, that can <strong>improve the efficiency of society by facilitating coordinated action</strong>.&quot; (Putnam, Leonardi and Nanetti 1993), p.167</td>
</tr>
<tr>
<td>Becker, Gary S.</td>
<td>1996</td>
<td>“(…) I incorporate the influences of others on a person’s utility through the stock of social capital.” (Becker 1996), p.12</td>
</tr>
<tr>
<td>Burt, Ronald S.</td>
<td>1997</td>
<td>“(…) social capital refers to <strong>opportunity</strong>.” (Burt 1997), P.339 \n&quot;An individual position in the <strong>structure of these exchanges</strong> can be an asset in its own right. That asset is social capital” \n“(…) in terms of the <strong>information and control advantages</strong> of being the broker in relations between people otherwise disconnected in social structure.&quot; (Burt 1997), p.340</td>
</tr>
<tr>
<td>Knack, Stephen and Philip Keefer</td>
<td>1997</td>
<td>&quot;<strong>Trust, cooperative norms, and associations within groups</strong> each falls within the elastic definitions that most scholars have applied to the term social capital.&quot; (Knack and Keefer 1997), p.1251</td>
</tr>
<tr>
<td>Boix, Carles, and Daniel N. Posner</td>
<td>1998</td>
<td>“(…) a <strong>set of institutionalized expectations</strong> that <strong>other social actors</strong> will reciprocate co-operative overtures.” (Boix and Posner 1998), p.686</td>
</tr>
<tr>
<td>Portes, Alejandro</td>
<td>1998</td>
<td>“(…) <strong>involvement</strong> and <strong>participation in groups</strong>.” (Portes 1998), p.2</td>
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<tr>
<td>Fukuyama, Francis</td>
<td>1999</td>
<td>“(…) instantiated set of informal values or norms shared among members of a group that permits them to cooperate with one another. If members of the group come to expect that others will behave reliably and honestly, then they will come to trust one another. Trust acts as a lubricant that makes any group or organization run more efficiently.” (Fukuyama 1999), p.16</td>
</tr>
<tr>
<td>Narayan, Deepa and Michael F. Cassidy</td>
<td>2001</td>
<td>“(…) patterns of social interrelationships that enable people to coordinate action to achieve desired goals.” (Narayan and Cassidy 2001), p.59 “It is not simply an issue of the extent to which people are connected to others, but the nature of those connections.” (Narayan and Cassidy 2001), p.60</td>
</tr>
<tr>
<td>Ostrom, Elinor</td>
<td>2001</td>
<td>“Social capital is the shared knowledge, understandings, norms, rules, and expectations about patterns of interactions that groups of individuals bring to a recurrent activity.” (Ostrom 2001), p.176</td>
</tr>
<tr>
<td>Putnam, Robert D.</td>
<td>2001</td>
<td>“(…) networks and the associated norms of reciprocity have value. They have value for the people who are in them, and they have, at least in some instances, demonstrable externalities, so that there are both public and private faces of social capital.” (Putnam 2001), p.41</td>
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<td>AUTHOR</td>
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<tr>
<td>Bowles, Samuel, and Herbert Gintis</td>
<td>2002</td>
<td>&quot;Social capital generally refers to trust, concern for one's associates, a willingness to live by the norms of one's community and to punish those who do not.&quot; (Bowles and Gintis 2002), p.F419</td>
</tr>
<tr>
<td>Fukuyama, Francis</td>
<td>2002</td>
<td>&quot;(...) is what permits individuals to band together to defend their interests and organize to support collective needs” (Fukuyama 2002), p.26</td>
</tr>
<tr>
<td>Glaeser, Edward L., David Laibson, and Bruce Sacerdote</td>
<td>2002</td>
<td>&quot;(...) a person’s social characteristics which enable him to reap market and non-market returns from interactions with others.” (Glaeser, Laibson and Sacerdote 2002), p.438</td>
</tr>
<tr>
<td>Sciarrone, Rocco</td>
<td>2002</td>
<td>&quot;Social capital refers to the supply of resources in relational networks.&quot; (Sciarrone 2002), p.6</td>
</tr>
<tr>
<td></td>
<td></td>
<td>&quot;(...) it refers to all of the resources an individual has based on his position in networks of social relations.&quot; (Sciarrone 2002), p.11</td>
</tr>
<tr>
<td>Arrighetti, Alessandro, Andrea Lasagni and Gilberto Seravalli</td>
<td>2003</td>
<td>&quot;(...) system of rules and social behaviors (trust, reciprocity, civickness, etc) that enhances coordination of individual actions (and therefore overcome collective action dilemmas).”¹ (Arrighetti, Lasagni and Seravalli 2003), p.50</td>
</tr>
<tr>
<td>Bjørnskov, Christian</td>
<td>2003</td>
<td>&quot;(...) generalized trust.”</td>
</tr>
<tr>
<td>Sen, Amartya</td>
<td>2003</td>
<td>&quot;(...) social solidarity” (Sen 2003), p.6</td>
</tr>
</tbody>
</table>

¹ Translation from the original Italian version
<table>
<thead>
<tr>
<th>AUTHOR</th>
<th>YEAR</th>
<th>SOCIAL CAPITAL</th>
</tr>
</thead>
<tbody>
<tr>
<td>Grootaert, Christiaan, Deepa Narayan, Veronica N. Jones, and Micheal Woolcock</td>
<td>2004</td>
<td>“(…) the <strong>groups, networks, norms</strong> and <strong>trust</strong> that people have available to them for productive purposes.” (Grootaert et al. 2004), p.3</td>
</tr>
</tbody>
</table>
| Okten, Cagla and Una Okonkwo Osili | 2004 | “(…) features of **social organization** such as **trust, norms**, and **networks** that facilitate coordinated actions.”
“According to Portes (1998, p.6) social capital represents the ability of actors to secure benefits by virtue of their **membership in social networks and other social structures**.” (Okten and Osili 2004), p.1226 |
| Antoci, Angelo, Pier Luigi Sacco and Paolo Vanin | 2005 | “(…) is the collection of those **productive assets** that are **incorporated in the social structure of a group** (rather than in physical good and individual human being, as physical and human capital) and that allow cooperation among its members to reach **common goals**. It is accumulated through **social participation to community activities**.” (Antoci, Sacco and Vanin 2005), p.151 |
| Beard, Victoria A. | 2005 | “Social capital is **one type of social relationship** characterized by **trust, reciprocity**, and **cooperation** that is associated with positive **community-development outcomes** (participation in civil society organizations that deliver public goods and services to communities.)” (Beard 2005), p.23
“(…) understood as **generalized reciprocity**.” (Beard 2005), p.24 |
<p>| Burt, Ronald S. | 2005 | &quot;(…) <strong>closure within the group</strong> and <strong>brokerage beyond the group</strong>” (Burt 2005), p.12 |
| Dasgupta, Partha | 2005 | “Social capital as <strong>interpersonal networks</strong>.” (Dasgupta 2005), p.2 |
| Granovetter, Mark | 2005 | “(…) <strong>social networks</strong>.” (Granovetter 2005), p.36 |
| Fafchamps, Marcel | 2006 | “(…) <strong>membership</strong> to <strong>informal and formal clubs</strong>” (Fafchamps 2006), p.1185 |</p>
<table>
<thead>
<tr>
<th>AUTHOR</th>
<th>YEAR</th>
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</tr>
</thead>
<tbody>
<tr>
<td>Miguel, Edward, Paul Gertler and David I. Levine</td>
<td>2006</td>
<td>“(…) social networks (…) the density of voluntary community associational activity and levels of trust and informal cooperation” (Miguel, Gertler and Levine 2006), p.288</td>
</tr>
<tr>
<td>Sabatini, Fabio</td>
<td>2006</td>
<td>&quot;(…) the &quot;structural&quot; components of social capital, as identified with social networks, (…) informal networks of strong families ties (bonding social capital), informal networks of weak bridging ties connecting friends and acquaintances (bridging social capital), formal networks connecting members of voluntary organizations (linking social capital) and formal networks of activists in political parties. &quot; (Sabatini 2006), p.23</td>
</tr>
<tr>
<td>Antoci, Angelo, Pier Luigi Sacco and Paolo Vanin</td>
<td>2007</td>
<td>“(…) accumulated externality” (Antoci, Sacco and Vanin 2007), p.130 “(…) defined by Narayan, 1999 as ‘the norms and social relations embedded in the social structures of societies that enable people to coordinate action to achieve desired goals’” (Antoci, Sacco and Vanin 2007), p.132.</td>
</tr>
<tr>
<td>Beard, Victoria A.</td>
<td>2007</td>
<td>“(…) relationships of trust and reciprocity between individuals that facilitate collective action.” (Beard 2007), p.608</td>
</tr>
<tr>
<td>Cassar, Alessandra, Luke Crowley, and Bruce Wydick</td>
<td>2007</td>
<td>&quot;(…) relational social capital in the form of personal trust between individuals and social homogeneity within groups”, (Cassar, Crowley and Wydick 2007), p.F86</td>
</tr>
<tr>
<td>Ahn, Toh-Kyeong and Elinor Ostrom</td>
<td>2008</td>
<td>(…) a set of prescriptions, values and relationships created by individual in the past that can be drawn on in the present and future to facilitate overcoming of social dilemmas. (…) trustworthiness, networks and institutions as three basic forms of social capital.” (Ahn and Ostrom 2008), p.73</td>
</tr>
<tr>
<td>AUTHOR</td>
<td>YEAR</td>
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<tr>
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</tbody>
</table>
| Arrighetti, Alessandro,       | 2008 | It is an expression of the norms governing community life, such as participation in elections, respect for public property, the maintenance of traditions and community identity, etc.”  
[(Arrighetti, Seravalli and Wolleb 2008), p.521] |
| Gilberto Seravalli, and       |      | “It is based ‘on relationships between actors or between an individual actor and a group’ (Portes 1998).”  
[(Arrighetti, Seravalli and Wolleb 2008), p.523] |
| Guglielmo Wolleb              |      | “(…) understood to encompass almost everything connected to social embeddedness.”  
(Esser 2008), p.22  
“First, social capital can be seen as the valued number of resources of an actor can employ and use through direct or indirect personal relations with other actors (…). Second, social capital can also be considered an emergent characteristic of the entire relation system.”  
(Esser 2008), p.25 |
| Esser, Hartmut                | 2008 | "(…) repeated interpersonal relationships.”  
(Fiorillo, 2008, p.81) |
| Fiorillo, Damiano             | 2008 | “Social capital is defined as resources embedded in one's social networks, resources that can be accessed or mobilized through ties in the networks.”  
(Lin 2008), p.51 |
| Lin, Nan                      | 2008 | "(…) individual investment in social relationships that have the consequences, whether or not intended, of enabling collective actions which return goods in excess of those the individual might achieve by acting alone.”  
(Warren 2008), p.125 |
| Warren, Mark E.               | 2008 | “Social capital is defined as the structure of informal social relationships conducive to developing cooperation among economic actors aimed at increasing social product, which is expected to accrue to the group of people embedded in those social relationships.”  
(Hayami 2009), p.98 |

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2 Translation from the original Italian version
TABLE 2
Sorting Rationales for Social Capital Functioning

<table>
<thead>
<tr>
<th>AUTHOR</th>
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<tbody>
<tr>
<td>Sabatini, Fabio</td>
<td>2009</td>
<td>“(...) it is, first, a <strong>resource</strong> that is connected with group membership and social networks (...)**, it is a <strong>quality</strong> produced by the totality of the relationships between actors.” (Sabatini 2009)</td>
</tr>
<tr>
<td>Stiglitz, Joseph E., Amartya Sen and Jean-Paul Fitoussi</td>
<td>2009</td>
<td>“(...) <strong>social connections</strong>.” (Stiglitz, Sen and Fitoussi 2009), p.51</td>
</tr>
</tbody>
</table>

**Social capital is capital**

- “It is capital because it serves as independent input to economic and political processes and outcomes. All forms of capital involve investments that increase the probability of higher returns from individual and joint efforts over a future time period.” (Ahn and Ostrom 2008)
- “Like other forms of capital, social capital is productive, making possible the achievement of certain ends that in its absence would be not possible. Like physical capital and human capital, social capital is not completely fungible but may be specific to certain activities.” (Coleman 1988), p.S98.
- “(...) that people have available to them for productive purposes.” (Grootaert et al. 2004), p.3
- “(...) is the collection of those productive assets.” (Antoci, Sacco and Vanin 2005), p.151
- "(...) individual investment in social relationships.” (Warren 2008), p.125

**Social Capital other forms of capital**

- “Family background is analytically separable into at least three different components: financial capital, human capital, and social capital.” (Coleman 1988), p.S108
Social capital as the enabler

- “(…) social capital refers to opportunity.” (Burt 1997), P.339
- “(…) social relations provide opportunities for mobilizing other growth-enhancing resources.” (Woolcock and Narayan 2000), p.243

Social capital-economic capital

- “(…) villages in traditional settings that are highly stratified, with certain wealthy families who, because of their wealth, have built up extensive credits that they can call in at any time.” (Coleman 1988), p.S103.

Social capital-trust-economic growth

- “We can think of ‘social capital’ as being growth enhancing through two channels: first, more social capital and trust lead to better functioning public institutions; second, trust and social capital may help where there are market imperfections and thus facilitate economic transactions.” (Alesina and La Ferrara 2002), p.211.
- “Trust and civic norms measured through the WVS positively associated with economic performance. Associational activity is not correlated.” (Knack and Keefer 1997), p.1252
- “Trusting societies not only have stronger incentives to innovate and to accumulate physical capital, but are also likely to have higher returns to accumulation of human capital.” (Knack and Keefer 1997), p.1253

Social Capital and in-group benefits

- "(…) is defined by its function. It is not a single entity but a variety of different entities (…) they facilitate certain actions of actors -whether persons or corporate actors- within the structure." (Coleman 1988), p.98
- “The function identified by the concept “social capital” is the value of those aspects of social structure to actors to realize their interests.” (Coleman 1990), p.305
- One of the most example of social capital at work in the absence of formal insurance mechanism and financial instruments is the use by the poor of social connections to protect themselves against risk and vulnerability.” (Woolcock and Narayan 2000), 243
• “(…) is what permits individuals to band together to defend their interests and organize to support collective needs” (Fukuyama 2002), p.26

• “(…) represents the ability of actors to secure benefits” (Portes 1998), p.6

Social capital-cooperation

• (…) the ability to organize collective action is more a function of trust and a shared perception of a common good. It stands to reason that this is more readily achieved among people who are kin or share religious convictions.” (Grootaert 1999), p.45.

• “(…) a set of institutionalized expectations that other social actors will reciprocate cooperative overtures.” (Boix and Posner 1998), p.686

• “(…) instantiated set of informal values or norms shared among members of a group that permits them to cooperate with one another. If members of the group come to expect that others will behave reliably and honestly, then they will come to trust one another. Trust acts as a lubricant that makes any group or organization run more efficiently.” (Fukuyama 1999), p.16

• “(…) enable people to act collectively.” (Woolcock and Narayan 2000), p.225

• “(…) enable people to coordinate action to achieve desired goals.” (Narayan and Cassidy 2001), p.59

• enhances coordination of individual actions (and therefore overcome collective action dilemmas).” (Arrighetti, Lasagni and Seravalli 2003), p.50

• “(…) is the collection of those productive assets that are incorporated in the social structure of a group (rather than in physical good and individual human being, as physical and human capital) and that allow cooperation among its members to reach common goals. It is accumulated through social participation to community activities.” (Antoci, Sacco and Vanin 2005), p.151

• “(…) relationships of trust and reciprocity between individuals that facilitate collective action.” (Beard 2007), p.608

• “(…) a set of prescriptions, values and relationships created by individual in the past that can be drawn on in the present and future to facilitate overcoming of social dilemmas.” (Ahn and Ostrom 2008), p.73

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3 Translation from the original Italian version
• "(…) enabling collective actions which return goods in excess of those the individual might achieve by acting alone." (Warren 2008), p.125

• “(…) conducive to developing cooperation among economic actors aimed at increasing social product, which is expected to accrue to the group of people embedded in those social relationships.” (Hayami 2009), p.98

Social capital and information

• “(…) in terms of the information and control advantages of being the broker in relations between people otherwise disconnected in social structure." (Burt 1997), p.340

Social Capital and out-group benefits

• “We can think of ‘social capital’ as being growth enhancing through two channels: first, more social capital and trust lead to better functioning public institutions; second, trust and social capital may help where there are market imperfections and thus facilitate economic transactions.” (Alesina and La Ferrara 2002), p.211.

Social capital-cooperation

• “Social Capital helps to understand how cooperation is achieved in societies. (…) increases the probability of higher returns from individual and joint efforts over a future time period” (Ahn and Ostrom 2008)

• “Features of social organization (…) that can improve the efficiency of society by facilitating coordinated action." (Putnam, Leonardi and Nanetti 1993), p.167

• “Social capital is one type of social relationship (…) characterized by trust, reciprocity, and cooperation that is associated with positive community-development outcomes (participation in civil society organizations that deliver public goods and services to communities.)” (Beard 2005), p.23

Social capital is harmful

• “(…) is that the harmful effects of groups as rent-seeking organizations theorized by Olson (1982) are offsetting any positive effects.” (Knack and Keefer 1997), p.1273
• “A given form of social capital that is valuable in facilitating certain actions may be useless or even harmful for others.” (Coleman 1988), p. S98.

• “The nature and extent of interactions between communities and institutions hold the key to understanding the prospects for development in a given society. The evidence supports the argument that social capital can be used to promote or to undermine the public good.” (Woolcock and Narayan 2000), p. 243

• “The dark side of social capital” (Portes 1998)

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**TABLE 4**

**Trust**

<table>
<thead>
<tr>
<th>Particularized trust</th>
<th>Generalized trust</th>
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<tbody>
<tr>
<td>• “A trusts B to do X” (Hardin 1992)</td>
<td>• “Characteristic of preferences –embedded in one’s intrinsic norms-.” (Ahn and Ostrom 2008)</td>
</tr>
<tr>
<td>• In the sense of knowledge-based trust. It uses group categories to classify people as members of in-groups or out-groups. It can lead to cooperation only among in-group. «Expectations about how people will behave» (Uslaner 2002)</td>
<td>• “In the sense of trust strangers”; “most people can be trusted”; “based on our outlook on the world.”; “It is not a relationship between specific persons for a particular context.”; “A statement about how people should behave.”; “A trusts” (Uslaner 2002)</td>
</tr>
</tbody>
</table>

**Trust and benefits for society**

• “Trusting societies not only have stronger incentives to innovate and to accumulate physical capital, but are also likely to have higher returns to accumulation of human capital.” (Knack and Keefer 1997), p.1253
### Table 5
Social capital dimensions and trust

<table>
<thead>
<tr>
<th><strong>Frequency</strong></th>
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</thead>
<tbody>
<tr>
<td><strong>Frequency-particularized trust</strong></td>
</tr>
<tr>
<td>• “People may trust more others with whom they have had a longer interaction. Also, trust may be increased by an expectation of repeated interaction in the future.” (Alesina and La Ferrara 2002), p.210</td>
</tr>
<tr>
<td></td>
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<tr>
<td><strong>Frequency-trust-cooperation</strong></td>
</tr>
<tr>
<td>• “The possibility of retaliation is a basic requirement for cooperative equilibria, so sporadic interactions should be less conducive to ‘trust’ in the sense of expecting cooperative behavior.” (Alesina and La Ferrara 2002), p210</td>
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</tbody>
</table>

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<thead>
<tr>
<th><strong>Homogeneity</strong></th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Homogeneity-Particularized Trust</strong></td>
</tr>
<tr>
<td>• Familiarity breeds trust (Coleman 1990)</td>
</tr>
<tr>
<td>• “People may trust more individuals who are more ‘similar’ to them, that is, family members or members of the same social, racial or ethnic group.” (Alesina and La Ferrara 2002), p. 210</td>
</tr>
<tr>
<td>• “Social homogeneity appears to facilitate a confidence that other members will repay” (Cassar, Crowley and Wydick 2007), p.F103</td>
</tr>
<tr>
<td></td>
</tr>
<tr>
<td><strong>Homogeneity-Generalized Trust</strong></td>
</tr>
<tr>
<td>• “Ethnic, racial or religious homogeneity within the community increases trust” (Alesina and La Ferrara 2002), p.210 (generalized trust as it is measured by the GSS: “most people can be trusted?”)</td>
</tr>
<tr>
<td>• “(…) relatively homogenous associations in heterogeneous societies may strengthen trust and cooperative norms within an ethnic group, but weaken trust and cooperative norms between those groups” (Knack and Keefer 1997), p.1278</td>
</tr>
</tbody>
</table>
• “For instance, if the group’s membership is “inclusive” we assumed any given individual’s membership in that group contributed more to social capital than membership in a group in which membership is “exclusive” to a particular clan or ethnic group.” (Narayan and Pritchett 1999), p.872
• Group homogeneity; “(when insider/outsider distinctions are made on divise and morally repugnant bases such as race, religion, nationality or sex community governance may contribute more to fostering parochial narrow-mindedness or ethnic hostility than addressing the failures of the market or the state.” (Bowles and Gintis 2002), p.F428.

References


