Social Capital and Communities of Place

Jan L. Flora

Department of Sociology, Iowa State University, Ames, Iowa 50011

ABSTRACT This paper develops a framework for examining the questions: Does social capital make a difference for well being in communities of place? How might rural sociologists utilize social capital to further well being in communities? The author reviews social capital literature, contrasting rational choice and embeddedness perspectives. Opting for a marriage between embeddedness and conflict theory, he introduces entrepreneurial social infrastructure (ESI) as an alternative to social capital. ESI adds to social capital the notions of equality, inclusion, and agency. Research results are presented which support the embeddedness approach: community-level action (the community field) is not simply an aggregation of individual or organizational actions within the community; social capital and ESI contribute jointly and independently to community action. Examining economic development as a form of collective action, the author concludes the following: a) ESI contributes to economic development, and b) inclusiveness (internal solidarity) is more closely related to community self-development while industrial recruitment is better predicted by strong external ties.

Does social capital make a difference for well being in communities of place? How might rural sociologists utilize social capital to further well being in communities? The answers to these questions vary with different perspectives on social capital. I have chosen a Durkheimian (1995 [1912]) embedded approach that incorporates horizontal linkages among diverse groups that may be internally homogeneous (Granovetter 1973; Flora and Flora 1993). Within the Durkheimian tradition, a combination of Young’s (1970) concept of solidarity and Bourdieu’s idea that different classes possess their own rituals/social practices/culture is particularly persuasive for analyzing com-

1 Presidential addresses provide an opportunity to be wide ranging. This one certainly qualifies—in fact it may be over-qualified in that sense—and the author under-qualified to carry it off. However, I do not plow this field alone. I rely heavily on the work of colleagues, particularly that of Cornelia Flora. Our quest to turn social capital (and related concepts) to practical use in rural communities has been—and will continue to be—collaborative. Frank Young, my advisor at Cornell, contributed greatly to my intellectual formation, though he perhaps may not recognize this product as his intellectual brainchild. I also owe a great deal to my students, particularly Jeff Sharp, who is now formally a colleague at Ohio State University. I also thank four former presidents of the Rural Sociological Society who served as anonymous reviewers. Their comments were most helpful. This paper is written in the first person plural in acknowledgment of these debts. Please convert all errors you find to the first person singular.
munities of place. In addition to embeddedness, I believe that a sociological perspective should include notions of equality/inequality, inclusion/exclusion, and agency/structure. Durkheim's (1995 [1912], 1984 [1893]) perspective excludes these aspects of social structure which are associated with the conflict tradition (Collins 1994). I argue that, for applied community development, a marriage between embeddedness and conflict theory is not only possible but also desirable. This will be done by introducing the applied concept of entrepreneurial social infrastructure as an alternative to social capital.

1. Social Capital Theory

Portes and Sensenbrenner (1993) illustrate and codify the diversity of definitions of social capital.

- Durkheim introduces non-contractual aspects of contractual solidarity (elaborated by Parsons in terms of values or norms, which as Portes and Sensenbrenner (1993:323) express it “prompt individuals to behave in ways other than naked greed. . . .”). Portes and Sensenbrenner do not mention Durkheim’s ritual-based idea of collective representations as elaborated in Elementary Forms of Religious Life (1995 [1912]), an idea which I find more useful than the Parsonian functionalist tradition which derives from his work. W. Lloyd Warner applied Durkheim’s approach to community analysis (Warner 1949; Warner et al. 1963) and could have used the term social capital. Wilkinson’s work (1991) is also in the Durkheimian tradition, but he does not emphasize ritual in his interactionist approach.

- Portes and Sensenbrenner identify Simmel as the source for “reciprocity transactions,” or obligations between individuals based on self-interest. This argument has been elaborated upon by exchange theorists (Blau 1964; Homans 1950) and more recently by rational choice theorists (see Collins 1994:138–44, 159–80, for discussion of intellectual roots of exchange theory and rational choice theory). Coleman, whose work is discussed below, combines Parsonian functionalism with rational choice.

- Marx is the source of “bounded” class solidarity based on “the defensive banding together of the losers in the market struggle” (Portes and Sensenbrenner 1993:1325). This defines a process through which “individual self interests are welded together into a higher form of consciousness . . . that acquires the force for social control that Weber assigned to Puritan values.” In his concepts
of cultural and social capital, Bourdieu attempts a marriage between Durkheim’s ritual interactionist work and Marxian class analysis.

- Weber uses the concept of *substantive rationality*, which involves collectively-defined goals, rather than the individualistic bottom-line orientation of *formal rationality*. Portes and Sensenbrenner (1993:1325) reason as follows: “Social capital is generated by individual members’ disciplined compliance with group expectations. However, the motivating force in this case is not value convictions, but the anticipation of utilities associated with ‘good standing’ in a particular collectivity. As with reciprocity exchanges, the predominant orientation is utilitarian, except that the actor’s behavior is not oriented to a particular other but to the web of social networks of the entire community.” I think that one can also find in Weber’s work reason to interpret substantive rationality in non-utilitarian, value-oriented terms (Weber 1978:85). No major social capital theorist employs this perspective.

Woolcock (1998) suggests that the current popularity of social capital (in lay as well as academic circles) has allowed a new dialogue to emerge both within sociology, but also among various social science disciplines. He concludes that for social capital to be a useful concept at the micro (sub-societal) level, it must consist of two main dimensions: integration (intracommunity ties) and linkage (extra-community networks). Integration, as he has defined it, encompasses strong rather than weak ties (Granovetter 1973); substantive, not formal, rationality (Weber 1978); Gemeinschaft, not Gesellschaft (Toennies 1957 [1887]); mechanical, not organic, solidarity (Durkheim 1984 [1893]; value-oriented, not interest-based, action (Habermas 1989). Woolcock (1998) argues that integration and linkage are two forms of social capital. Economic development processes (and other forms of collective action, such as community development, we would argue), involve both forms of social capital.

As a rural sociologist, I take as given that social capital—and social behavior in general—is embedded in social structure (see Granovetter 1985; Portes and Sensenbrenner 1993). Granovetter argues that neoclassical economists’ view of markets as based on the atomized rational self-interest of individuals are in error. He believes that economic behavior is better explained through embed-

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2Woolcock uses the term community to refer to communities of interest, not communities of place. Thus, within geographic communities, which he does not discuss, except contextually in some of his examples, there can be more than one community of interest.
ded relations both within and among firms. In fact, he claims that distinctions between social and economic behavior are not useful. Implicit in this embeddedness perspective is the idea that community members are expected to contribute to the group while receiving benefits. Thus, a contribution to collective projects, from parades to the volunteer fire department and Girl Scouts, is a "gift" to all (Kretzmann and McKnight 1993). Unlike in the exchange theories of Homans (1950) and Blau (1964), norms of individual reciprocity are reinforced in such interactions and direct pay back to the donor is not required, or, in some cases, even expected.

Social theorists who adhere to the embeddedness perspective are interested in the sources of norms of trust and group reciprocity. Rational-choice theorists take such norms as given and view them merely as inputs into rational-choice decisions (Ritzer 1996:401). Robert Putnam (1993a), whose work better fits embeddedness rather than a rational-choice perspective, has a passionate interest in the origins of those norms. In examining several centuries of regional and community history of the Italian peninsula, he draws this striking conclusion regarding much of northern and central, in contrast to southern, Italy:

These communities did not become civic simply because they were rich. The historical record strongly suggests precisely the opposite: They have become rich because they were civic. The social capital embodied in norms and networks of civic engagement seems to be a precondition for economic development, as well as for effective government. Development economists take note: Civics matters (Putnam 1993b:37).

The embeddedness perspective, which encompasses elements of all four of the theoretical traditions described by Portes and Sensenbrenner, differs from the rational choice view that social capital is principally a resource individuals use for their own self-interested ends. As with rational choice, the concept of embeddedness connotes a degree of individual freedom of action or agency. However, agency is shaped or nudged in certain directions by being embedded in existing networks of social relations and commonly held beliefs.

The Durkheimian and the rational choice perspectives are on opposite ends of the embeddedness continuum. The Durkheimian approach is based on the emergent character of social behavior (see Flora et al. 1997b), while rational choice assumes primacy of the aggregation of individual actions. Below, empirical evidence will be presented which supports the embeddedness approach.

*Diverse rational choice perspectives*

Public goods and the free rider problem are central to rational choice theory and its view of social capital. Coleman (1988, 1990),
whose perspective integrates rational choice and embeddedness, characterizes most forms of social capital as public goods. He describes the public goods paradox as follows:

The public goods quality of most social capital means that it is in a fundamentally different position with respect to purposive action than are most other forms of capital... because the benefits of action that bring social capital into being are largely experienced by persons other than the actor, it is often not in his interest to bring it into being. The result is that most forms of social capital are created or destroyed as a by-product of other activities. This social capital arises or disappears without anyone's willing it into or out of being and is thus even less recognized and taken account of in social action than its already intangible character would warrant (Coleman 1988:5118).

Coleman offers support for this "inadvertent" aspect of social capital. He argues, for example, that social capital in private religious schools is greater than in either non-religious private or public schools. This is because religious school parents are more involved with the teachers than are parents of public school children and because religious-school parents know one another through their common church participation. It is likely that parents base their decision about schools on the particular religious or educational values they desire to impart to their children. It is unlikely that they do comparative research on dropout rates before choosing a school or reason that they will assure a better education for their children by sending them to a school where they (the parents) know the parents of their children's classmates. Some parents may not have even understood post factum the impact of such social capital indicators on their children's education. This example also illustrates Collins' (1994:172) paradox of rational choice—there are human limits in processing information required to make a "rational" decision.

Some utilitarian rational choice theorists assign the state a strong regulatory role in preventing the tragedy of the commons, thus making it "rational" for firms and individuals to behave so as to reduce negative externalities. Coleman (1993), in his American Sociological Association Presidential address, "The Rational Reconstruction of Society," argues for the carrot of positive incentives rather than the stick of regulatory penalties. He advocates the state paying a "bounty" to parents/foster parents for the care of at-risk children since the state has an interest in reducing juvenile crime and other social costs of out-of-control youth. Social science methods would be used to assess risk-based behavior on the child's background. That assessment would be taken into account in setting the payment to the caregivers. The economist Mancur Olson (1965)
wrote the classic work that proposed that government enforce limits to the free rider problem.

Others see private institutions as effectively providing the social control needed to reduce the free rider problem. Ostrom (1990) has identified an inter-related set of design principles to assist endogenously run irrigation systems in solving the free rider problem. Other rational choice theorists emphasize informal ties as the basis for collaboration among individuals with common economic interests. For instance, political scientists Taylor and Singleton (1993) argue that a certain level of “community” is necessary to reduce transaction costs to the point that an endogenous solution is feasible. They define community in terms of the following characteristics: a) relations have a certain stability, i.e., those in the community interact with some degree of regularity, b) members interact on several fronts, c) relations are unmediated by the state, and d) members have shared beliefs and preferences which go beyond the particular collective action problem. Those shared beliefs need not be strongly held. Thus, community must exist, but “does not require, inter alia, any particular feelings between members, including altruistic feelings of any sort” (Taylor and Singleton 1993:199). Rational choice proponents do not see a need for more than self-interested behavior for social capital to develop. While someone taking a Durkheimian perspective (and an embeddedness perspective in general) would argue that an affective bond would emerge from the patterned interaction described by Taylor and Singleton, their perspective is sociological (even though they cite no sociologists). Their work and that of the others mentioned above suggest that, at least on an operational level, political scientists, economists, geographers and sociologists can engage in fruitful dialogue around the concept of social capital. It is also clear that rational choice approaches to social capital differ considerably from one another—and sometimes blend into the embeddedness perspective.

Social capital a la Durkheim; Bourdieu gives it a conflict twist

Collins (1994:205–10) argues that Durkheim was strongly influenced by Fustel de Coulanges’ The Ancient City (1980) [1864] for the development of his theory of the relationship between society and religion. However, Durkheim failed to incorporate the analysis of social classes, which was integral to Fustel’s historical analysis. Collins concludes that Fustel’s idea that the role of rituals in the creation of class-consciousness and conflict “opens a path in the Durkheimian tradition that has scarcely been exploited.” (Collins 1994:210.) W. Lloyd Warner and his colleagues offer a beginning in his community studies (Warner 1949; Warner et al. 1963). Warner identifies ritual as a means of solidifying stratification and maintaining class domination, but it is Pierre Bourdieu (1986) who has
developed a framework which argues that social capital can generate both social cohesion and social conflict.\(^3\)

In a methodological style that follows that of Durkheim (1964 [1895], 1966 [1897]), Bourdieu argues that so-called "objective" structures of the social universe lead a dual life. He claims that there is an "objectivist physics of material structures," and "a constructivist phenomenology of cognitive forms" which mediate between material structures and human observers. Specified further, the objectivist component includes structures for distributing material resources and appropriating socially scarce goods and values, what Bourdieu calls species of capital. The constructivist aspect, habitus, consists of "symbolic templates for the practical activities—conduct, thoughts, feelings, and judgments—of social agents." (Wacquant 1992:7). These subjective (cognitive) and objective (material) structures, Bourdieu argues, are integrally linked. In fact, he argues that conventional economics is but "a particular case of a general science of the economy of practices, capable of treating all practices, including those purporting to be disinterested or gratuitous, and hence non-economic, as economic practices directed toward the maximizing of material or symbolic profit" (Bourdieu 1977:183, cited in Collins and Makowsky 1998:274). Culture, or what Marx calls the superstructure, is the principal battleground, more than the economy. Bourdieu thus avoids the crass materialism of orthodox Marxists. He incorporates human agency, which is critical to the development of an applied community approach, into a structural conflict model. At the same time, he integrates the idea of cultural domination (he calls it symbolic violence) into his theory—thereby avoiding Durkheim’s blind spot regarding conflict. Much as Marxists use the concept of hegemony, Bourdieu argues that even the taxonomies that we develop (e.g., how we measure class and what we call the various classes) are part of the struggles of daily life, politics, and cultural production (Bourdieu and Wacquant 1992:14). Bourdieu does not leave much room for altruism that extends beyond one’s own cultural group.

Is Bourdieu a rational choice?

Bourdieu’s definition of social capital is as follows:

\[ \ldots \text{the aggregate of the actual and potential resources which are linked to possession of a durable network of more or less institutionalized relationships of mutual ac-} \]

\(^3\) Collins (1994:235) argues that the Durkheimian tradition "provides the conflict tradition with an explanatory theory of the varieties of class cultures, and it builds out of these interactions a stratified network that makes up the macrostructure of domination and power struggle in the whole society." As we will see, this is precisely what Bourdieu has done, using the concepts of cultural and social capital.
quaintance and recognition—or in other words, to membership in a group—which provides each of its members with the backing of the collectivity-owned capital . . . (Bourdieu 1986:248–9).

This definition differs little from that of Coleman who takes a rational-choice perspective:

If we begin with a theory of rational action, in which each actor has control over certain resources and interests in certain resources and events, then social capital constitutes a particular kind of resource available to an actor . . .

Unlike other forms of capital, social capital inheres in the structure of relations between actors and among actors. (Coleman 1988:598; italics added).

Bourdieu's perspective is similar to that of Coleman only in that both center on individuals' ability to wield social and cultural/human capital for their own ends. However, as we have just seen, Bourdieu takes a conflict perspective, while Coleman's is broadly functionalist in that he assumes that interests can eventually be harmonized. He assumes rational self-interest (Coleman 1990), supporting the general theory of equilibrium. Durkheim's emphasis on collective representations, which are strengthened by group members engaging in rituals that hone a group ethic, is a healthy corrective to both Bourdieu's and Coleman's strong emphasis on individuals wielding collective resources. Obviously, group resources are available to both the group and to individuals in the group. Bourdieu's definition differs from Coleman's and Durkheim's in that, consistent with the Marxian tradition, he focuses on differential access to capital—economic, ¹ cultural, and social—by class-based formal and informal groups and by individuals within such groups.

Putnam (1993b:35–6) says social capital refers "to features of social organization, such as networks, norms, and trust, that facilitate coordination and cooperation for mutual benefit. Social capital enhances the benefits of investment in physical and human capital." Coleman (1993:9) states that such informal norms "depend on a dense and relatively closed social structure that has continuity over time." Thus, social capital thrives when individuals within a social system interact with one another in multiple roles over a period of time. Freudenberg (1986) calls this interaction density of acquaintanceship. Only through interaction can trust reach sufficient levels to allow for the reduction of transaction costs. Social capital can

¹ Economic capital is the term used by Bourdieu (1986). Putnam (1993a) calls it physical capital. Flora and Kroma (1998) have separated the concept into two categories: financial and manufactured capital. For simplicity, we will use Bourdieu's term, economic capital, throughout this paper.
improve the efficiency of other forms of capital—such as economic capital, human capital, and environmental capital—by reducing transaction costs. Both Bourdieu and Coleman suggest that—within limits—cultural/human, social, and financial/economic capital can be turned into one another. Bourdieu (1986) says that dominant social classes can use their privileged access to these three kinds of capital to make strategic conversion of one kind of capital to another in order to solidify further their class position. Likewise, he argues, such capital conversion can be used to transfer strategic advantage from one generation to the next (Bourdieu 1986:254; see also Duncan 1992, 1996).

Because Putnam and Coleman define social capital at the most general level, their definitions beg the question of whether social capital in a particular social unit can be aggregated to form social capital at the larger encompassing unit. Furthermore, are concepts such as norms and trust, which are at the heart of social capital, too abstract to be manipulated for collective benefit? More pointedly, is social capital biased toward structure and away from agency? Do we need a concept that can be applied by community residents interested in improving their collective circumstances? We believe there is. This is the topic of the next section.

Transforming social capital into entrepreneurial social infrastructure

Social capital's high level of abstraction, since it "inheres in the structure of relations between actors and among actors" (Coleman 1988:S98), has made it hard to operationalize such that its elements can be manipulated to bring about desired outcomes. We use another term—entrepreneurial social infrastructure—(ESI) as a particular format for developing organizational forms that encourage collective action to achieve tangible goals (Flora and Flora 1993). Hopefully, those goals will lead to sustainable development and improve community well being. ESI is built on bedrock of trust, social networks, and norms favoring group reciprocity; that is, social capital is a necessary, but not sufficient, prerequisite for ESI. The following characteristics distinguish ESI from social capital:

- ESI can be changed through explicit collective effort. It links social capital to agency. A community that has a

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3 Coleman sees an individual's education pedigree as a form of human capital, while Bourdieu uses the term cultural capital to include not only academic degrees, but also cultural dispositions which are valued by and identify one as a member of a particular class or group. Although many of these dispositions are unconsciously learned initially through family socialization, they are reinforced at school, in social clubs, or in the work place. Acquisition of such dispositions may require investment of time and/or money, as in music lessons, golf club memberships, or coming out parties, and in turn may translate into social and, perhaps, financial capital (Burbaker 1985:757–8).
well-developed social infrastructure tends to engage in collective action for community betterment: in a word it is *entrepreneurial*. For this reason we call this phenomenon *entrepreneurial social infrastructure* (Flora and Flora 1993). ESI is less abstract than social capital. For example, it is difficult to directly change levels of community trust (a component of most definitions of social capital), but it may be possible to encourage previously conflictual groups to work together through conflict resolution or by redefining issues.

- ESI privileges horizontal over hierarchical relations within communities. ESI is closely related to horizontal social capital. Horizontal relations facilitate inclusion of diverse ideas, groups, and values in the public discourse within the community.

- ESI incorporates diversity and inclusion, which brings with it the acceptance of alternatives. This means that, within the community, diverse types of information are sought from individuals and groups with different values and in different socioeconomic locations within and outside the community. When flow of information is not channeled exclusively to or from a particular group, but is dispersed widely throughout the community, decisions are more likely to be broadly accepted. Furthermore, inclusion of all citizens, not only in communications networks, but also in the decision-making process itself, ensures greater commitment to carrying out those decisions. An assumption embedded in the ESI perspective—and hypothesis to be tested—is that community and economic development are best carried out when there is access to a diversity of information and involvement of a broad spectrum of citizens. Heterogeneity and inclusion produce better results for the community as a whole than homogeneity and exclusion. Social capital can develop under either format, while building ESI involves strengthening diversity and inclusion.

I now turn to a discussion of the components of ESI (see Figure 1).

*Legitimacy of alternatives*

The first aspect of ESI—legitimacy of alternatives—involves the community’s acceptance of diverse symbols: a respect for multiple

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6 The term *social infrastructure* was chosen because the name suggests that it operates in a parallel way to physical infrastructure (which we include under the term *constructed capital* in community development). The term was first used by Swanson (1996; originally written in 1990).
points of view. Granovetter (1973) argues that individuals operate better in a complex society if they have access to networks that incorporate people with different backgrounds and experiences from oneself and which require limited commitment to the group. This phenomenon he calls the strength of weak ties.\(^7\)

\(^7\) Wilkinson, using Durkheim’s (1984) [1983] concept of material and moral density, applies Granovetter’s weak ties concept to rural-urban differences. His argument is as follows: the key distinguishing characteristic between rural and urban areas is population density—what Durkheim called material density. Low material density leads to low moral density—limited opportunity to meet and associate with persons different from oneself. Implicit in Wilkinson’s argument is the assumption that the mental health of individuals and the social health of human groups depend on both strong and weak ties. He cites evidence that such phenomena as mental illness, suicide, and other antisocial behavior are not necessarily urban phenomena, concluding that "a rural settlement pattern can be a source of community problems" (Wilkinson 1991:61). Whether this particular form of rural “isolation” can be or has been overcome with modern means of communication in the rural U.S. is debatable.
We argue that communities—whether rural or urban—differ considerably in their acceptance of diverse ideas and people. This is an important aspect of social infrastructure that, we believe, affects a community’s ability to make decisions that strengthen development efforts (Wilkinson 1991). Indicators such as the presence of a controversy indicate community acceptance of diverse symbols. If the ensuing debate increases the flow of information, controversy should lead to more considered decisions than would otherwise be the case. If it turns into conflict that leaves permanent rifts between different groups in the community, the flow of information throughout the community diminishes. If community politics is personalized, community actors are reticent to take positions, because of the undue risk they believe it means for their reputations and their livelihood. Lastly, and fundamental to both of the prior indicators just discussed, is attention to process; how issues are discussed and decided often matters as much as the precise outcome.

Mobilization of diverse resources

ESI is enhanced when resources inside and outside the community can be readily accessed. This includes a willingness on the part of those privileged to have resources to invest in community projects, a willingness of citizens to commit local taxes to community betterment, and the development of innovative mechanisms for channeling resources to community endeavors. In one of our case-study communities the annual income from two private trusts has been used to fund numerous community projects—including two low-to-moderate housing programs, a science museum, a history museum, and the community library. A community foundation allows smaller gifts from local residents to be used for community improvement. But of even greater importance is that, along with the establishment of these community institutions for mobilizing resources, a new community culture was consciously created. We were told that when people in that community decide how they would like to divide their estates, local financial advisors routinely ask them if they have considered giving part of their assets to one of the trusts or to the community foundation. The mechanisms for contributing to the community are there and the norms that support such giving are also in place.

Network qualities

Networks are the mechanism through which trust is developed and legitimacy established. But networks and networking can serve to exclude as well as include, and to consolidate power as well as to share power (Bourdieu 1986; Duncan 1996). Networks are most effective for the community as a whole when they are diverse, inclusive, flexible, horizontal (linking those of similar status), and verti-
cal (linking those of different status, particularly local organizations or individuals with external organizations and institutions that have resources not available within the community). Such a diversity of networks is facilitated when the community defines its boundaries broadly and flexibly. Thus, if there is need for inter-community collaboration, as in school consolidation or other service sharing, residents of another community can be viewed as "one of us" rather than as outsiders.

II. Empirical results

Rational choice v. embeddedness

Is social capital at the community level more than the sum of social capital wielded by individuals, groups and organizations within that community? Does collective action within the community necessarily lead to community-wide action? Kaufman (1959) makes the distinction between development in the community and development of the community. Wilkinson (1991), his student, used the term social field to refer to actions within a particular sector such as education, health or retail business (development in the community) and community field to characterize collective actions aimed at and involving the entire community (development of the community). Wilkinson was emphatic that development of social fields in a geographic community does not necessarily lead to a well-developed community field.

Rational choice theory takes an aggregative approach—which when using Wilkinson's terminology would mean that not social fields, but individual actions, sum to equal the community field. Rational choice theorists argue that social capital results from repetitive interactions among individuals. Similarly, as Coleman suggests, individuals can destroy social capital, a public good. Causation, they would argue, goes mainly one way—from the individual to the collectivity, not the reverse.

Wilkinson (1991:87) defines community development "as a process of developing the community field." This identity between the community field and community development has in one sense hampered the practical use of this theoretical perspective. It places emphasis on strengthening the community field as an end in itself, rather than using that field to achieve other desired goals through effective collective action: Wilkinson claims that community development occurs even if the external goal is not achieved. We believe it is useful, to the degree possible, to distinguish the infrastructure which may facilitate community action from the action itself, and that action from whatever outcome which is defined as being positive by those who seek to strengthen the community field. My predilection is to keep collective action conceptually separate from so-
cial infrastructure (and social capital), rather than consider it as another of its dimensions. Only by separating social capital or ESI from collective action can we assess what kinds of community development are desirable and sustainable.

In practical terms, a community event or project can indicate and build social capital/ESI while at the same time be characterized as collective action, making it difficult to make such a separation. For example, the presence of an annual festival in a community indicates that people in the community have formed permanent or episodic networks to carry out the festival. It is also a prima facie indicator that a certain level of trust exists in the community. On the other hand, we could just as well look at the festival as an indicator of collective action—and hypothesize that it is an outcome of ESI or social capital. We would then examine the specific networks in the community or levels of trust among its members to empirically test whether a community with stronger ESI/social capital is more likely to engage in community action. Community action would be measured by the existence of a community festival or its degree of success (e.g., funds raised, increase in sales by merchants on the day of the festival).

Sharp (1998), using data we collected in three Midwestern communities, has examined this question. Using data from a random survey of resident households, he assessed contributions of social capital and social infrastructure (with appropriate controls) to individual activeness and potential for community-level action. Activeness was measured by a three-item score: member of at least one local organization, volunteered for community improvement activity within last year, and attended local or regional government meeting within last year. Potential for community action was measured by the mean of responses to a Likert scale, “When something needs to get done, the whole community gets behind it.” The two dependent variables were unrelated to one another and although social capital and social infrastructure contributed to both individual and collective action, the specific indicators that contributed to one did not predict the other (Sharp 1998). Furthermore, community of residence was unrelated to individual activeness, but was an important contributor to their perception of the ability of that community to act (the community field). More importantly, there was congruence between respondents’ perceptions of the community field and its actual existence. Respondents with the most dense and durable community organizational networks and the most successful and enduring economic and community development efforts were significantly more likely than those in the other two communities to agree with “When something needs to get done, the whole community gets behind it.”

In sum, there is no necessary congruence between strong social fields within a community and a strong community field. The ap-
plied implications of this finding are that encouraging particular organizations or informal groups will not necessarily add up to an improved community. It is necessary to be explicit about doing the community’s business. Broad participation is necessary for such endeavors.

We now turn to the role of ESI in community betterment. We first examine the relationship between social fields and the community field and then assess the role of social capital and ESI in economic development.

*Does a more inclusive community organizational structure contribute to collective action?*

My graduate rural development class carried out a case study in a Midwestern community we called Riverview. This case illustrates some of the complexities involved in promoting inclusion and broad participation in a community with a well-integrated, old guard power structure. Using a snowball approach based on reputation for leadership, we interviewed leaders of Riverview about indicators of ESI, collective action, leadership patterns, and their own personal and community-oriented networking patterns (Flora et al. 1997a). 8

As part of our fieldwork in Riverview, we also gathered the officer rosters of the principal civic, governmental, and social and church organizations in the community. Compared to most other communities we have studied, Riverview has a very tightly integrated set of core organizations. 9 This suggests that the potential for developing and implementing community-wide projects is considerable. Thus, based on acquaintanceship, social capital is high. People know one another, interact socially with one another, and enjoy many organizational ties.

The fact that Riverview is a community with a dominant religion has important consequences for social capital. Approximately 70 percent of the population is Catholic. Thus, Catholics are over represented among reputational leaders whose support is needed for an important project to succeed. We might call this reputational group the “power brokers.” Another interesting facet of Riverview’s leadership structure is that the torch has been passed to a younger

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8 Students, an area community extension educator, and I carried out the study as a class project in fall 1996. The community was participating with Iowa State University Extension to Communities in an intensive community development effort, which was given the name Building Riverview for Tomorrow. Students reported the results to the Riverview citizen task force as their final report to the class.

9 The common officers can be looked upon as communications links between the organizations that they represent. Theses were coded using UCINET Network Analysis software. This allowed us to see which organizations had links with the boards of other organizations.
generation. A group of under-40 leaders who were members of the Javcees, and then formed the Community Club when they became too old for the Javcees, have become the principal power brokers. But when we looked at the family backgrounds of these young reputational leaders, we found that many were from "old guard" families, extended families with at least a 20-year trajectory in the community. Old guard Catholic families have a disproportionate reputation for power—implementing, blocking, or providing crucial support for important projects. Thus, although leadership has been turned over to a younger generation, those being given power are largely from long-term families. Newcomers, on the other hand, are more likely to be seen as doing a good job of representing the community to the outside.

Women leaders are under-represented in Riverview. They are particularly under-represented in key roles in important community projects: whether as individuals whose support is essential for the project to succeed, as implementers, or even as critics of certain projects. Roughly ten percent of the individuals mentioned by other leaders in these key roles were women. Women were more likely to be deemed good at representing the community to the outside (25 percent of these people were women). Women's limited role in influencing important community decisions contrasts with the important economic role they play, particularly in downtown businesses.

Riverview would appear to be quite successful in collective action. Projects implemented in the past five years that were most frequently named by reputational leaders largely involved building things—a new restaurant in a TIF (Tax Increment Financing) district, a gymnasium, a library/city hall addition, a park. These projects all contributed to the physical infrastructure (constructed capital). Some of these projects involved considerable controversy. However, tourism is even more controversial, because it hits at the heart of how members of the community view themselves and others. Efforts aimed at such projects as using a public dock for pleasure boating, those involving county funding of tourism promotion, and developing a plan for encouraging retail trade, closely linked to tourism, have not received strong support. In addition, a majority of the proprietors of downtown businesses are women (many cater to the tourism trade and several are newcomers), who as we saw have little reputation for power—either as implementers or critics of projects or as informal power brokers. The Extension-related Building Riverview for Tomorrow subcommittees on tourism and retail trade made little headway initially. The tourism commit-

10 Respondents were asked to name the four persons in the community who are best at representing the community to the outside.
tee has recently become quite active. We concluded that social capital was high in the community (i.e., there are strong social networks, strong norms based on a dominant religion, intergenerational continuity of leadership, and high level of trust. However, it was difficult to generate collective action around issues that have major implications for the community's future (tourism and development of the retail sector). Those issues also pose a threat to the existing power structure and attendant social capital.

These conclusions are supported by a survey on social capital that was sent by Vern Ryan and associates to a random sample of Riverview residents. When compared with 99 other Iowa communities, Riverview was rated in the upper third on measures of acquainanceship and trust. It ranked in the lower third of rural communities with respect to their assessment of whole community action.

Tourism (personified by "those people from Chicago") and the related expansion of retail trade are deeply threatening to the consensus which centers on common culture, religion, and male dominance. The Building Riverview for Tomorrow Committee, selected to include individuals with diverse occupations, socioeconomic backgrounds, ages, and both genders, was serious about bringing new people into positions of community leadership. However, the committee did not succeed in convincing those who had not previously shared power that the committee could effectively address their concerns. The new persons gradually drifted away from the committee, such that after a year of operation it consisted mostly of (young) old guard males. The effort to build social infrastructure in Riverview still has a long way to go, although it ranks high on social capital.

Sharp's (1998) study of three Midwestern communities showed that the community with the strongest community field, called Solidale, had a core of interlocked organizations whose structure looked quite similar to that of Riverview when graphed. According to its residents, Solidale was generally more accepting of diversity and more encouraging of participation than was Riverview. Solidale was also much more diverse religiously than was Riverview. However, Solidale, like Riverview, had a quite low proportion of female reputational leaders. Tryton, the working class community that had a significant African American population, was much more likely than the other three communities to accept women into positions of symbolic or real power.

In summary, our case studies of Midwestern communities showed that the two communities with the greatest density of organizational interlocks and the greatest amount of social capital (Riverview and Solidale) differed in their ability to engage in collective action, what Wilkinson called the community field. Solidale had a stronger community field and was more accepting of diver-
sity and more encouraging of broad participation than Riverview, though neither was accepting of women in leadership roles. Solidale was more successful in collective action and was also much more diverse religiously. However, the other two communities, Tryton and Lussville, were also religiously diverse, but low on collective action (weak community field). This suggests that the religious dominance/diversity must be contextualized in order to understand its relation to community action.

What evidence do we have that ESI can contribute to locally generated economic development?

From a key informant survey sent to a random sample of non-metropolitan communities in the U.S., we found that communities with an economic development project (self development or industrial recruitment) had significantly greater Entrepreneurial Social Infrastructure (ESI) than those which had not attempted an economic development project in the past five years. Specifically, communities with successful projects (Flora, et al. 1997b):

- Had a newspaper that stimulated information flow regarding local issues (i.e., it provided information on controversial issues and did so in what was perceived of as an unbiased fashion by allowing its pages to convey different points of view) (Legitimacy of Alternatives);
- Had financial institutions which contributed to community projects by providing commercial or low-interest loans; grants or donations or other in-kind contributions; contribution of personnel to project or loan fund administration or to serve on board or committee; and marketing or technical assistance (Resource Mobilization); and
- Had a much larger number of horizontal/vertical linkages both within and outside the community (even when size of community was controlled for) (Network Qualities).

The three significant indicators each represented a different one of the three dimensions—legitimacy of alternatives, resource mobilization, and network qualities—posed in Flora and Flora (1993).

Based on the same data set, we have evidence that social infrastructure also differentiates between communities that engage in successful self-development and those which are successful at industrial recruitment. The main axis of difference relates to Woolcock’s (1998) distinction between integration and linkage—what we call acceptance of alternatives and (external) networks. We found that self-development communities were more focused on internal solidarity (indexed by having a friendly rivalry with another
community) and inclusion than were industrial-recruitment communities. Self-development communities were significantly more likely to involve women, persons under 40, and farmers in leadership, and to encourage open discussion of the project within the community. Women rarely had more than token involvement in the leadership of industrial recruitment efforts. On the other hand, industrial-recruitment communities place considerable emphasis on linkages with the outside, both those that are vertical (with a higher level of government, for instance) and horizontal (with other communities or localities). Such ties have the effect of enhancing information flow by strengthening so called weak ties, those with agencies, organizations, and individuals that may have knowledge and insights not already present in the community. The relative lack of such ties to outside entities by communities that pursue a self-development strategy may on certain occasions cause them to be less successful in their endeavor because they may lack critical linkages and information from the outside.

III. Summary—social capital, ESI and communities of place

Our results suggest that, in Woolcock’s (1998) terms, integration and linkage can occur together and do contribute to economic and community development. ESI and social capital are effective predictors of both collective (Flora et al. 1997b; Flora et al. 1998; Sharp 1998; Sharp et al, 1998) and individual (Sharp 1998) action.

Social capital and entrepreneurial social infrastructure (ESI) are overlapping variables; they explain common variance in measures of individual action and of social fields (Sharp 1988). However, there is some evidence that ESI is a better predictor of collective action than is social capital (Flora et al. 1997a; Sharp et al. 1998). Communities with moderate to high levels of social infrastructure are more likely to have successful, locally-initiated economic development projects than those without.

In both theoretical and applied community work, it is important to distinguish between social fields and the community field, or in Young’s (1970) terms, to take into account social boundaries—both within geographic communities and with the outside. Social fields do not necessarily add up to a strong community field (Wilkinson 1991). One cannot simply aggregate individual or organizational action within a community to achieve community-wide action (Sharp 1998). Community level collective action has emergent properties: communities that desire to engage in community betterment must seek broad involvement and should focus on community-wide outcomes. While aggregative indicators of each contribute to collective action, significant added explanatory power comes from indicators with emergent qualities. The whole is greater than the sum of the parts, although the parts are important. Thus, we have not dis-
proved rational choice theory in relation to what Coleman called the public good of social capital. Our evidence indicates that the rival concept of embeddedness is indeed viable; together, the two explain more than either does by itself.

Moderate levels of economic inequality (distribution of family financial capital) within a community are not a detriment to the development of social infrastructure and collective action (Flora et al. 1998; Sharp 1998; Sharp et al. 1998), and may indeed strengthen these community elements. These relationships need to be explored further. It may be that, as Oliver et al. (1985) suggest, elite mobilization can activate the community field and encourage other groups to become involved—if cultural or financial capital of the elites and other residents is not so unequally distributed that intergroup trust is lacking. For, as Duncan (1992, 1996) shows, economic inequality can generate sharply divergent cultural and social capital among different social classes and lead to the exclusion of disadvantaged groups, not only from community life, but, under conditions of job scarcity, from all but the most precarious and low paying work.

Research, action and policy suggestions for the future

While we have learned a great deal about social capital and related concepts at the community level over the past half dozen years, the research carried out at Iowa State University and elsewhere has raised many questions of which we were only vaguely aware previously. Within the context of reflexive action (Fals-Borda and Rahman 1991), there is a need to link research and action in an iterative fashion, and to think about supportive policy change. Following are some suggestions of what needs to be done:

1. Social capital and the growth machine. A potentially fruitful way to address issues of power and inclusion is to relate the growth machine concept (see Molotch 1976)—which lends itself to graphical network analysis—to ESI, social capital, and cultural capital (see Bourdieu 1986, for a definition of cultural capital). The local context within which a growth machine operates may affect outcomes. Social and economic inequalities may mediate the relationship between the existence of a growth machine and ESI. Based on Duncan’s (1992, 1996) work and our work in Ecuador (Flora et al. 1998), we hypothesize a curvilinear relationship between economic inequality and ESI, such that moderate levels of inequality may lead to these emergent properties. We need to understand better how this occurs. If a development-oriented
business elite takes care that others are incorporated into social action—if mechanisms for inclusion of various social groups are strong—the outcome may be positive for the entire community, even though the effort is elite led (Sharp 1998). But when the elite separates itself socially and politically from the rest of the community and does things “on behalf” of others, rather than encouraging their direct involvement, the community’s interests may not be served. Community organizers and extension community developers have an obligation temporarily to be the voice of the voiceless by using organizing tools which explicitly include those without voice. Once they are included, the development professionals should strive to foster a climate which allows these disempowered persons to actively participate so that their voices count as much as anyone else’s.

2. Local civic-government relations. On the national level Woolcock (1998) and Evans (1996) argue that civic engagement (an aspect of social capital) and an activist government are complementary. They posit a positive-sum relationship. We suggest that, particularly in this era of devolution, that the same should be true at the local level. With more and more programs being given to the locality to administer, if not to redesign, there should be a civic-government partnership, without one overwhelming the other. Our case study research suggests that, at least in certain communities, local elected office is a vehicle for social groups largely excluded from civic leadership to participate actively in the community. There is often an antagonism between non-government civic leadership and members of the city council or other local officials. Part of the antagonism may relate to the different “rules of the game” for recruitment to and exercise of private-sector civic and elected government office. Civic leadership is collaborative, but often exclusionary, while the exercise of elected office is designed to be adversarial and democratic. Thus, our case studies suggest that reputational civic leaders often see city council members as “stoppers” of community projects. Devising approaches which foster inclusion is essential as local governments (particularly in small communities) are forced to shift from a reactive to a proactive stance.

3. Economic growth, environmental capital, and social capital. While this paper is about social capital, applied com-
Community improvement must center on an appropriate relationship among various forms of capital—social, human/cultural, economic and environmental/natural capital, and the convertibility of one capital to another (Bourdieu 1986; Coleman 1988). None of the major theoretical perspectives that utilize the concept of social capital also include environmental/natural capital. Woolcock (1998) discusses social capital at the national and community levels as a boon to economic growth. He makes no mention of the environmental consequences of using social and human capital for the furtherance of growth. In our research in Ecuadorian communities in a zone of recent colonization, we concluded that ESL and collective community action facilitated the conversion of environmental capital to economic capital. This resulted in deforestation, soil loss, and agricultural chemical usage (Flora et al. 1998). On the other hand, social capital is increasingly being consciously constructed in order to resolve conflicts among local groups with divergent views regarding investment in economic growth versus environmental conservation/preservation (Sturtevant and Lange 1985). However, we have not yet taken a comprehensive look at how community “development” would have to change, were the dominant paradigm to shift from economic growth to building sustainable communities. The first—and easiest step—would be to find a term to replace “community development.”

4. Changing social structures of accumulation and local social capital. Grant (1995) argues that the social structures of accumulation (SSAs) that were dominant in the U.S. in the first quarter century following World War II depended on a social contract (which involved the development of certain weak ties). This “contract” was between capitalists and organized labor, between citizen and state (e.g., Social Security, Medicare, AFDC), and between producers and the state (e.g., farm programs, modest tariffs on manufactured goods). New structures of accumulation are emerging that shift resources to capitalists away from labor and from producers of commodities to those who produce differentiated products. The role of the state is also changing. The national state is gradually abandoning its role as protector of those with least power in the marketplace. This function, if carried out at all, is being turned over to regional and local governments, or to charitable organizations.
An important tool for the new SSAs is what Grant gives the name *spatialization*: firms' shifting—or threatening to shift—their economic activities from high-wage areas to low-wage areas. Spatialization, practiced largely by absentee-owned firms, more often than not involves the threat of moving away unless the firm is given what it wants. The threat alone generally has the desired effect—it cheapens financial capital needed for expansion (through government incentives) and keeps labor costs down, or simply provides additional cash that can be used to enhance the bottom line, thereby satisfying stockholders. System-wide, resources are shifted from workers to capitalists. How do social capital and ESI at the local level relate to these new structures of accumulation? The answer is not straightforward. On the one hand, the new SSAs encourage the movement of all forms of capital. When workers must move and social networks are destroyed, one would expect social capital to decline. But the results may be different for individuals than for localities. An infusion of new and different groups into the community may expand alternatives. For instance, the social capital impacts of immigrant groups on rural communities with packing plants and apparel firms needs to be studied. Short-term and long-term effects may be quite different. The social capital consequences of absentee ownership, as in the case of malls and superstores replacing locally owned businesses—another aspect of the new SSAs—also merits examination, as do different forms of governmental decentralization which is another aspect of the new SSAs. The larger questions are:

- Does the homogenizing effect of the new SSAs (sometimes called Globalization) destroy local social capital (also environmental, human, and economic capital), or
- Do the new SSAs offer opportunities for communities and other localities to build the various forms of capital, either through resistance to the dominant SSAs or as a result of being marginalized by those structures?

Perhaps communities with substantial social capital or those which have learned how to build it can use it to develop economic enterprises through self-development that are less subject to the threat of leaving, more integrated into the local economy, and in general are better citizens than are branch firms that can make a credible threat of leaving.

The concept social capital serves as a heuristic device for generating a most interesting and fruitful theoretical and applied discussion. It places emphasis on the will and capacity of people to solve problems and improve their lives in a joint enterprise. Whether the term itself will continue as a useful concept is doubtful. It is likely to be superseded by more precise conceptual and applied formulations. Hopefully, those more precise formulations will not only al-
low us to advance social theory, but will contribute to greater agency for communities and neighborhoods. Along with the building of diverse linkages both within and to the outside, these measures should improve the quality of people’s lives and the sustainability of their communities.

References


