

# Social Capital and Neo-Liberal Voluntarism

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## The Voluntary World of Social Capital

'Social capital' is one of those wonderful terms that provide think tanks, academics, journalists, politicians and policy-makers with a way to speak as if something meaningful is under discussion. It has had a rapturous reception from those who are paid to think, propose and act to reproduce existing social relations. Talk about 'the social' is permitted so long as it is accompanied by an orthodox emphasis on 'capital'. Its appeal circulates freely from the World Bank to Blair and all points in between. However, notwithstanding the near hegemonic use of the neologism, we argue that in its very vacuity lies the widespread ideological appeal of social capital.

Moreover, social capital provides a highly circumscribed way to think and act in terms of social and political mobilisation. Its dominance has had, and is having, worldwide repercussions. Where the state is forcibly prevented from direct intervention in less developed countries, social capital enables the blame for indebtedness and elite corruption to fall on the imputed internal characteristics of 'society' rather than on the global structuring of neo-liberal capitalism through its main institutions. Joseph Stiglitz, former Economic Advisor to Bill Clinton, Chief Economist to the World Bank and Nobel Prize winner, has had a major influence on the popularity of the concept among policy thinkers. For him the maintenance of social capital is critical to the smooth transition from state command economies to market economies:

"Market economies entail a host of economic relationships – exchanges. Many of these exchanges involve matters of trust. An individual lends another money, trusting that he will be repaid ... Economists often refer to the glue that holds society together as 'social capital'."<sup>1</sup>

Where this trust breaks down the state intervenes in the form of a legal system to enforce contracts and property entitlements.

But, we would argue, the introduction of the 'social glue' of civic voluntarism into the analysis of Stiglitz and the World Bank is a diversionary tactic. Social capitalists complain of the erosion of social trust and the hardening of competitive egoism. Such appeals merely mask the scent of an unchallenged economic orthodoxy which demands the erosion of state responsibility for welfare and wealth redistribution. Such an agenda is denied by leading advocates of social capital like Robert Putnam, who claims that "nothing could be further from the truth" that social capital is "an argument for shutting down the welfare state and relying on civil society to solve problems."<sup>2</sup> But this is exactly the attraction of social capital for the governing institutions of neo-liberalism, both nation-states and supra-national bodies like the World Bank. A study for the World Bank of the need to target development projects only on those selected by 'high' social capital criteria put the new priorities for privatization as clear as daylight:

"The most important implication of our work is that the introduction of public-private partnerships or self-help schemes is more likely to be successful in neighbourhoods in which the level of social capital is high. Social capital proxies or determinants can thus be used as predictors of success when targeting neighbourhoods for different social or public good-oriented interventions."<sup>3</sup>

Even though the World Bank is aware of the many criticisms that are made of the concept of social

capital, such as the way that it is made to justify acute material inequalities, they still insist on its necessity for economic development.

Social capital is also given a determining role in deciding what constitutes a 'viable' or a 'failing' state, as the basis for the wars of pre-emptive intervention in the re-arranged geo-politics of the post-Cold War world. A new western triumphalism argues that states like 'us' have the right kind of civic virtues and social capital unlike the internal social capital deficiencies arising from supposedly endemic ethnic hostilities of the new adversarial states.<sup>4</sup> 'Post-conflict' states like Rwanda and Mozambique<sup>5</sup> need to generate social capital as a matter of life and death: "As new governments struggle to earn legitimacy and popular support in countries such as Afghanistan, Palestine, Iraq and Ukraine, they must consider how they will stimulate trust among their populaces."<sup>6</sup> Some development theorists argue that the stakes are too high to simply dismiss social capital out of hand and "for all involved to be modest, reflexive, self-critical and, on these bases, creative."<sup>7</sup> If only critics struck a nicer, more polite tone some influence might be exerted over those agencies of neo-liberalism like the World Bank who want to advance a social capital agenda.<sup>8</sup>

But this is at odds with the real purpose of social capital: the more effective enforcement of market dependencies for social reproduction by the formal and informal associations of capitalist society. Social capital is not therefore the moderation of neo-liberalism but its consummation, which, we argue, constructs a new political and social conformism with the aim of demobilising oppositional organisations and activity. It encourages a fatalistic and conformist notion of social action by confining voluntarism to safe, de-politicised channels. Hence part of its attraction for New Labour and the New Democrats in the US has been its conservative emphasis on the norms of social integration while neglecting the structural basis of social dis-integration in neo-liberal capitalism.

## Social Capital and the New Economics

It is perhaps easy to deduce the attractiveness of social capital's popularity for the new moralism that splits the world's impoverished masses into deserving and undeserving recipients of the beneficence of their rulers. Something can be seen to be done, or at least something can be debated over and measured, allowing grandiose claims to be made about channelling scarce resources efficiently where social capital has the most potential to translate into 'human capital' and market capital. As one critic put it:

"It legitimates the intervention of the 'haves' in the lives of the 'have nots', promising them not money, but to help them build social capital. It is not hard to explain, therefore, why this argument appeals to academics, elites and international development organizations. It confirms their centrality to world affairs, something that most other frameworks ignore."<sup>9</sup>

Perhaps. But there are deeper reasons for this than simply an inflated sense of importance amongst bourgeois technocrats. After three decades, hard-line market individualism has begun to seem anachronistic. Social capital is also being driven by a concern to re-introduce the 'social' to economic analysis in response to the critique of its past (and failed) asocial economism.<sup>10</sup>

Attention should be drawn to changes over

the past decade in the approach to global 'development' advanced by the World Bank – particularly as it has retreated from the more individualist rhetoric of early neo-liberalism. In this social capital has been identified as the 'missing link' for globalised economic development. In turn, addressing 'the social' is seen as key to economic progress in the old heartlands of capitalism, the US and Europe.

Evidence for the beneficent role of social capital is sorely lacking. Yet a lack of conceptual clarity or empirical verification does not prevent social capital from determining public policy. World social capital expert, Robert Putnam simply urges a cavalier approach to this: "policy-makers should not have to wait for a couple of decades of detailed research before asking whether attentiveness to social capital might be worth their while."<sup>11</sup> In other words, "trust us, we're social capitalists". Some of the attractions of social capital in these terms for New Labour (and the 'New Conservatives') ought to be apparent. Social capital promises to mediate some of the worst ravages of neo-liberalism while, at the same time, taking advantage of the economic opportunities afforded by cohesive, stable social conditions. In this way the existence of a reserve army of labour is kept under moral regulation and social control, ever-ready to embrace their own future capitalisation.

## Social Capital in the UK

A further attraction of social capital is that it provides a rationale for reducing the scope of the welfare state despite the persistence of market failure. Just as President Clinton had already done in the US, Tony Blair eulogised Putnam's muddled conception of social capital in almost identical terms in his vision of the good community:

"As Robert Putnam argues ... communities that are inter-connected are healthier communities. If we play football together, run parent-teacher associations together, sing in choirs or learn to paint together, we are less likely to want to cause harm to each other. Such inter-connected communities have lower crime, better education results, better care of the vulnerable."<sup>12</sup>

Blair repeats the same quaint, worthy ideas of Putnam's conformist voluntarism about PTAs, choir-singing and painting that will prevent people from harming each other. This is evidence of either incredible naiveté or cynicism. Britain, alongside the US, has been characterised as a society that has traditionally developed dense networks of voluntary association. Unlike Putnam's complaints about the deterioration of social capital in the US, these seem to have been maintained and renewed in Britain in the form of charitable activity, service organisations and informal sociability. Hall argues that this is because Britain has become more 'middle class' and less 'working class'.<sup>13</sup> As an increasingly 'professional society' it has the necessary preconditions for the acquisition and maintenance of social capital, although the social capital of the working class has been eroded. Until recently, working class social capital was ensured by, on the one hand, the deferential culture of the conservative worker towards traditional sources of authority and, on the other, "solidaristic working class communities that looked to collective vehicles, and class-based organizations in particular, such as the trade union movement and Labour Party, for improvement in their social situation."<sup>14</sup> Hall therefore dismisses the resilience of trade unionism through an era of generalised

labour movement retreat as an 'instrumental' form of working class 'social capital':

"Similarly, the working class draws its organizational affiliations disproportionately from trade unions and workmen's clubs, and so recent declines in trade union membership have taken an especially heavy toll on the associational life of the working class."<sup>15</sup>

Yet since they express fundamental social cleavages trade unions are not a form of 'social capital' in the same way that youth groups, the St Johns Ambulance Society or even a visit to the pub are. For all the emphasis placed on the consensual social capital of the middle class Hall registers the deepening erosion of 'social trust' in Britain but explains this in terms of social isolation, increasing levels of individualism, a decline in deferential forms of social solidarity, increased moral relativism and the rise of instrumental, membership services associations. 'Social exclusion' is therefore not only politically unacceptable and socially immoral but it is also economically inefficient, while the 'social inclusion' engendered by social capital is seen to be economically efficient, as well as politically useful and ethically just.

There is little sense here that capitalism itself shatters and breaks apart local social networks around long established workplaces and, as it reconstitutes the world working class and the welfare state, it depletes traditional kinds of social capital so lamented by Putnam and others.<sup>16</sup> Indeed, far from eroding social capital as neo-liberal ideologists claim the welfare state played a crucial role in sustaining it.<sup>17</sup> This is a distorted recognition of the historical calamity routinely visited on the working class by capitalist restructuring and the unsuccessful defensive class struggles of workplace and welfare services.

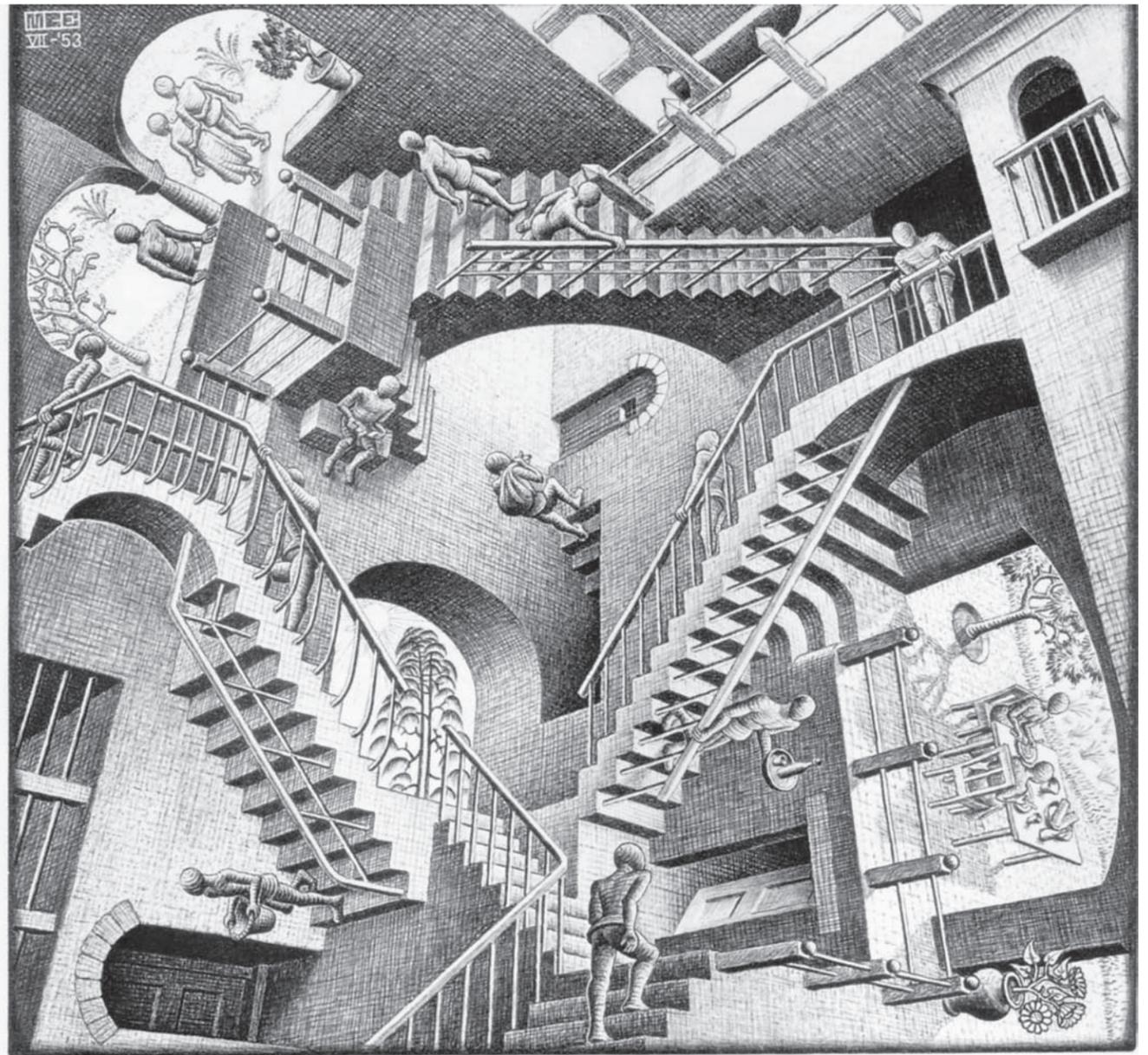
Within social capital such voluntary integration, reciprocity and connectedness is set in a contradictory relationship to the more dominant moment of market enforced competition, mutual antagonism and disconnectedness. Wider structures of capital and state are thereby absolved of responsibility for the predicament of the poor.

## Social Capital as the Good Community

Civic renewal through the building of social capital is thus presented by New Labour as a key to neighbourhood regeneration and to the redevelopment of disadvantaged communities. This involves strengthening the hand of civic conformism against the bureaucratic welfare state. As such, social capital has become central to Tony Blair's vision of the good community:

"A key task for our second term is to develop greater coherence around our commitment to community, to grasp the opportunity of 'civic renewal'. That means a commitment to making the state work better. But most of all, it means strengthening communities themselves....Indeed *the state can become part of the problem*, by smothering the enthusiasm of citizens...The residents' association that started with enthusiasm but disbands at their inability to convince the authorities to act on their problems."<sup>18</sup>

Here the argument is that the socially excluded, disadvantaged and poor working classes have either 'fallen out' from civil society (or are likely to do so) and fail to participate or engage, primarily with work, but also with other forms of activity such as voting or volunteering. Much of this is put down to the state, which has raised the



expectations of welfare rights at the expense of social obligations. Thus the impoverished working class simply lack the right kind of social glue. It is not clear if worsening social polarisation is an effect or a cause of unequal social capital distributions. In play also are the enduring legacies of the disreputable 'underclass' discourse: the poor and disadvantaged fail to engage with those activities – employment or citizenship activities – that the 'rest of us' would consider to be 'normal'.

A culture of poverty supposedly reproduces low social capital inter-generationally. Lacking positive role models the poor languish passively in isolated deprivation, disengaged and disaffected. Failing to tackle this, it is further claimed, creates a potential threat to social cohesion and social order. But the New Labour twist to this is that social capital will re-connect individuals to authority structures all the more effectively through their own activity in morally inoffensive pursuits. At work here is an idealist psychologisation of the working class and the reductive erasure of structured class inequalities. Politics and economics are reduced to socio-cultural networks of association, which, in turn, are reduced to an idealist social psychology. In such ways, social capital helps the poor to help themselves in the same manner that Baron von Munchhausen managed to drag himself and his horse out of the mire by his own hair!

An erosion of social networks is typically associated with impoverishment. But rather than poverty being caused by low social capital it is poverty itself that is the independent variable and 'social capital' the dependent one.<sup>19</sup> As much research has demonstrated, the less income people have the more difficult it is to engage securely in routine leisure networks, blocked at the point of sale from participating, made vulnerable to an ever-present risk of social humiliation and shame in routinely commodified life.

None of this – the correct, economically-derived relationship between poverty and voluntarism – enters into the Third Way miasma about the virtues of social capital. Social pathologies and environmental deterioration are put down to a failure of abstractly conceived 'citizens' to communicate effectively with each other in order

to overcome market inequalities and inefficiencies.

To enforce the new orderly ideal of good, respectable communities there are also, somewhere, bad communities. It is these places, typically council estates, constructed as 'dangerous places', that need to invest in (officially sanctioned) social capital. Social capital is being increasingly valorised in relation to crime prevention, community safety and as a means through which communities themselves can be self-policing to voluntaristically tackle anti-social behaviour. Ironically, if they fail to self-build social capital the implied threat is that something more punitive will be imposed on them. Indeed, at the same time as emitting moral injunctions to acquire social capital New Labour are criminalising poor communities. An imposed moral order, by definition, expresses low levels of trust or reciprocity on the part of the politicians, who are at the same time withdrawing the welfare function of the state while maintaining or expanding both the repressive function of the state and the coercive force of market priorities.

## Social Capital and the Management of Dissent

As measured by indices of voting, newspaper reading or trust in political leaders, and voluntary activities, in the local PTA, the Elks, the Rotary Club, the Red Cross, and so on, social capital focuses idealistically on a de-politicised, de-classed 'civic' consciousness. Putnam's favoured metaphor is the decline of bowling leagues in the US, which were only briefly popular in the 1950s while many other group sports, such as golf or martial arts, have flourished since. These have very little direct significance for political activism – attending football matches in the UK is not a revolutionary deed (regardless of the attention heaped on it by supposedly radical cultural studies). But the focus on such archaic institutions, values and activities has a pronounced class bias to it. These kinds of associations are dependent on socio-economic relationships not the other way round. In the US voluntary groups traditionally tended to have a cross-class basis to them, which helped diminish class antagonisms.<sup>20</sup> It is well known

that professionally-led advocacy groups tend to be oligarchical in nature. Moreover, why should low levels of trust in politicians or a rejection of stale social institutions be seen negatively as civic disengagement rather a class-based refusal of self-serving, status-obsessed conformism?

Putnam arbitrarily focuses on what might be labelled 'conformist voluntarism' and neglects or dismisses other forms of activism, what might be called 'recalcitrant voluntarism', as evident in campaigns to defend services, jobs, and amenities, environmental and anti-capitalist protest against systemic inequities, as well as 'the dark side of social capital' found in reactionary militia, patriarchal and racist social movements. Conformist voluntarism attends to the apparently innocuous activities that pose no threat to the powerful. This can include providing charitable services to the disadvantaged as much as participating in sports clubs. Since no challenge to structural interests is involved it evinces no direct political implications.

Earlier incarnations of social capital activism were much more explicit about the need to manage the permissive 'effects' of democracy in order to protect 'democracy' from itself. Just as US society was moving into political crisis in the 1960s the influential cross-national study, *The Civic Culture*, argued for the necessity of managed political participation and social manipulation: "Politics must not be so instrumental and pragmatic that participants lose all emotional involvement in it. On the other hand, the level of affective orientation ought not to become too intense."<sup>21</sup>

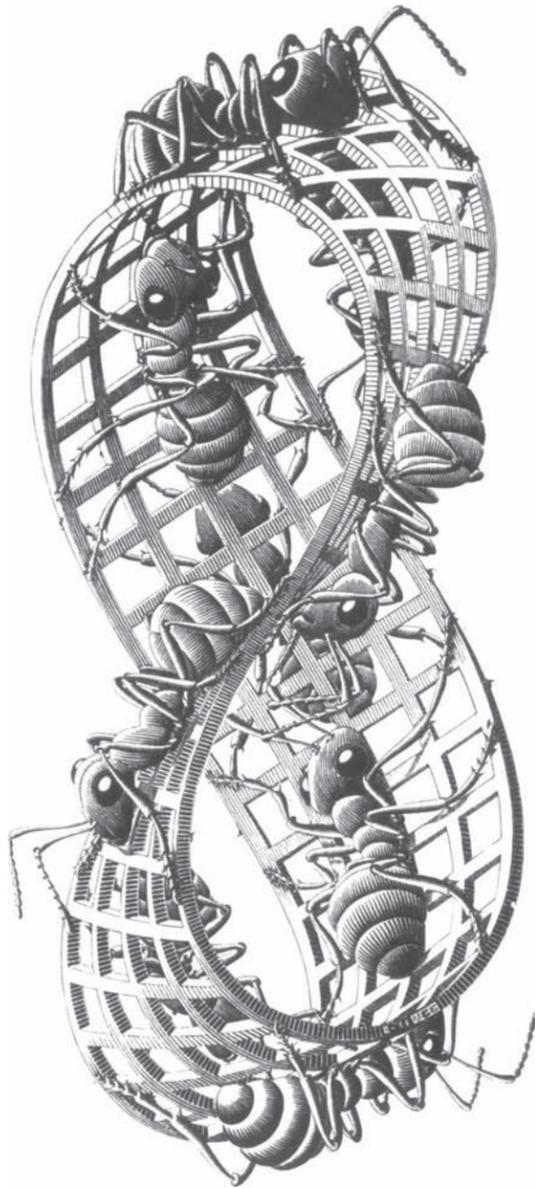
Such candour is rarely encountered these days in the pseudo-democratic rhetoric about social capital but it nevertheless forms its unspoken assumption. Similarly, *The Civic Culture* made explicit the nationalist goal of social integration while allowing for modest levels of dissent:

"In general, this *management of cleavage* is accomplished by subordinating conflicts on the political level to some higher, overarching attitudes of solidarity, whether these attitudes be the norms associated with the 'rules of the democratic game' or the belief that there exists within the society a supraparty solidarity based on non-partisan criteria ... The result is a set of political orientations that are balanced or managed. There is political activity, but not so much as to destroy government authority; there is involvement and commitment, but they are moderated; there is political cleavage, but it is held in check. Above all, the political orientations that make up the civic culture are closely related to social and interpersonal orientations. Within the civic culture the norms of interpersonal relationships, of general trust and confidence in one's social environment, penetrate political attitudes and temper them."<sup>22</sup>

This is not simply of historical interest. Nor is it some anachronism from bygone days of ruling class manipulation. It remains the unannounced dream of social capitalists. Of course, the unbridled confidence in the management of dissent and the production of conformism through 'the civic culture' the US in the later 1960s was soon to experience seismic labour unrest and social protest movements.

### Resisting Conformist Voluntarism

As with 'the civic culture' then so, perhaps, with Third Way 'social capital' today. Social capitalists as managers of dissent and protest remain concerned to moderate and divert voluntary but oppositional movements from below. Such was the case in 2005 with the celebrityisation of the anti-G8 campaign by Make Poverty History and G8 Live. While such mass voluntarism brings people together for consensual dialogue to redress the injustice of world poverty, it diverted conflict away from the established forces of legitimate authority. In contrast, recalcitrant voluntarism exposes the conflict of structured interests at stake. Since the enshrined rights of structural interests, including capital and state, are being



challenged, recalcitrant voluntarism necessarily is or becomes politically contentious.<sup>23</sup> Recalcitrant voluntarism is unavoidably adversarial, unpleasant and polarising. It comes to recognise the division of society and state into unequal, competing interests.

In contrast, conformist voluntarism demands bloodless struggles over a de-politicised, moral high ground of private preference choices, say of selfless compassion over self-centred amenity, rather than democratic matters of struggle.<sup>24</sup> Social capitalists seem oblivious to the transformation of everyday life under the gigantic growth of global corporate power that prevents engagement in the public sphere, inhibits dissent, and attempts to channel social meaning into lifestyle consumer choice. Even in this situation resistance is present, as can be witnessed at protests from Seattle to Genoa, and at Gleneagles in 2005, only not in the prescribed, orderly forms that social capitalists are looking for.

In local neighbourhoods alternative forms of voluntarism are being posed as was demonstrated recently by the local campaign to prevent the closure of a swimming pool in Govanhill, Glasgow.<sup>25</sup> This represents a type of social capital without official virtue, what we have termed recalcitrant voluntarism. This voluntary local campaign ostensibly had many of the hallmarks of social capital so lauded by New Labour.<sup>26</sup> Present throughout were community networks, co-operation, and civic engagement. Nor was this an insular mobilisation, confined to some homogenous idea of the bounded community. It involved people of different age groups, men and women, black, Asian and white, from difference religious and cultural backgrounds, cemented in a class-based campaign to defend an important, publicly provided amenity. However, the Govanhill Campaign/South Side Against Closure was not legitimated as such. It was not 'approved' or sanctioned as genuine community protest, we would argue, because as an active movement from below it transgressed the notion that social capital is dependent on conformist voluntarism, under the leadership of responsible authorities, whose actions are sanctioned by local or national elites.

### Notes

- 1 Stiglitz, J., *Globalization and Its Discontents*, London: Penguin Books, 2002, pp.160-1.
- 2 Putnam, R.D., 'Bowling together', *OECD Observer*, March, 242, 2004, p.15
- 3 Pargal, S., Gllgan, D., and Huq, M., 'Does social capital increase participation in voluntary solid waste management? Evidence from Dhaka, Bangladesh', in C. Grootaert and T. van Bastelaer, (eds.) *The Role of Social Capital in Development*, New York: Cambridge University Press, 2002, p. 205.
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- 5 Fred-Menash, B.K., 'Social capital building as capacity for post-conflict development: The UNDP in Mozambique and Rwanda', *Global Governance*, 10.4, 2004, pp. 437-458.
- 6 Boslego, J., 'Engineering social trust: what can communities and institutions do?', *Harvard International Review*, Spring 2005, p. 31.
- 7 Bebbington, A., 'Social capital and development studies 1: critique, debate, progress?', *Progress in Development Studies*, 4.4, 2004, p. 343.
- 8 For an effective critique of such assumptions see Harriss, J., *Depoliticizing Development: The World Bank and Social Capital*, London: Anthem Press, 2002.
- 9 Greenwood, D.J., 'Naturalizing social capital: social Darwinism – again and again and again', paper presented at Cornell University and University of Turin Workshop on Social Capital, Ithaca, New York, 12-14 September.2002, p.7.
- 10 Harriss, *Depoliticizing Development*.
- 11 Putnam 'Bowling together', p.15.
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- 13 Hall, P.A., 'Great Britain: The role of government in the distribution of social capital', in R.D. Putnam, ed., *Democracies in Flux: The Evolution of Social Capital in Contemporary Society*, New York: Oxford University Press, 2002.
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- 15 Hall, 'Great Britain', p. 54.
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- 18 Blair, 'New Labour and community', p. 11.
- 19 Schuurman, 'Social capital'.
- 20 Skopcol, T., 'United States'.
- 21 Almond, G.A. and Verba, S., *The Civic Culture: Political Attitudes and Democracy in Five Nations: An Analytical Study*, Boston and Toronto: Little, Brown and Company, 1965, p. 354.
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- 25 Govanhill Baths Trust, 'A pleasant walk, a pleasant talk, along a briny beach', *Variant*, 2.21, 2004, pp. 19-20.
- 26 See Mooney, G. and Fyfe, N. (2004) 'Active communities of resistance: contesting the Govanhill Pool closure in Glasgow, 2001-2002', Paper to the Social Policy Association Annual Conference, Nottingham, July 13-15.

A longer version of this paper will appear in the journal *Critique*: [www.tandf.co.uk/journals/titles/03017605.asp](http://www.tandf.co.uk/journals/titles/03017605.asp)