Chapter 1

Social capital

1.1 Introduction

1.1.1 Inequality

From daily experience we can learn there are large differences between individual achievements in life. Although in most societies cultural traditions, laws and religions demand equal treatment of its members, some of them enjoy better health, more wealth, or find better opportunities for goal attainment than others. More concretely, some people are able to achieve higher levels of education, find better jobs, higher incomes, better suitable homes, and many of the other rewards life has to offer. Differential ‘success’ in life can also be observed in more private domains: some people make friends more easily, find a suitable partner more successfully, or are simply happier than others. Explaining the causes of these long-established forms of inequality, and the circumstances under which these emerge has become one of the traditional questions of sociology (see e.g. Ultee, Arts, and Flap, 1996).

Inequality research has taken a number of perspectives to explain such differences in individual achievements. One of these considers psychological conditions; for example, people differ in ambition: not everyone is prepared to put the same efforts into the pursuit of a career, the ideal partner, or the best housing. The outcomes of such actions may therefore show considerable variation. Variation in individual achievements can also be studied from a socioeconomic perspective. For a successful completion of actions, resources have to be accessed and applied. The general idea is therefore that individuals who can access more resources or capital will succeed better in life.

Early conceptions of capital – collections of personally owned resources – considered mainly material and financial resources (Quesney, 1766, and Turgot, 1770, in Hennings, 1987); eventually, Marx (1867) incorporated such a financial operationalisation of ‘capital’ into an inequality paradigm. Weber (1921) specified the concept in terms of [economic] capital along the idea that assets in general, and money more specifically, facilitate production and goal attainment and can therefore buy us opportunities. In addition, Weber distinguished political capital, defined as “authority being a means of production”: the ability to assert power also offers opportunities. In the early 1960s personal skills and knowledge began to be considered as pools of resources that can differentiate individual outcomes, and were headed under the notion of human capital (Becker, 1964; Johnson,
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1970; Schultz, 1961): one’s value on the labour market depends on one’s individual productivity, which can be improved by education. This conceptualisation enabled a better explanation of why people with better education, knowledge, and more experience find better jobs. In addition, Bourdieu (1973, 1984) introduced the notion of cultural capital, referring to the collection of cultural knowledge that can work to the advantage of individuals, provided it is made productive in the right environment.

In addition to the control one has over personal resources, one’s social background has also been considered an important determinant of success in life: genetic factors and resources of parents in their various forms all shape individual outcomes. To which extent socioeconomic statuses are carried over between generations has become the central topic to stratification research, initiated in its modern form at the end of the 1960s by Blau and Duncan (1967). Influence on the accomplishment of individual actions is not only provided by the family of origin alone, however. Theoretically, all other people with whom one is acquainted can influence the outcomes of individual actions: other kin, friends, acquaintances, neighbours, and colleagues together form a context in which individuals pursue their goals. Sometimes this context may work as a constraint, and block opportunities. More often it also helps in pursuing goals that can be achieved less well, or not at all on our own: people regularly exchange help of widely varying content. Sometimes, the help is merely practical, like borrowing a ladder or a cup of sugar from the neighbours. However, more complex and more involving assistance is also exchanged, like help with filling out tax declarations, or passing on information about job opportunities. Most of the emotional goals in life can even be achieved exclusively with the help of others, such as keeping each other company, having a good time together, sexuality and procreation, but also discussing personal problems or comforting each other during a crisis. The general idea that relationships with other people can be seen as openings to collections of available resources, in addition to or as a substitute for personal resources, is what is at the basis of this dissertation. Basically, that is what is understood as social capital in this study.

1.1.2 The notion of social capital

The notion of social capital developed over a long period of time, through contributions by a number of theorists. The basic idea that others and their resources make significant contributions to personal achievements in our lives is not new, but its current understanding has come a long way. The term social capital was already mentioned incidentally in the 19th century (Lin, personal communication); other authors (Borgatti, 1998; Paxton, 1999) have traced back the term to the works of Hanifan (1920) and Jacobs (1961). Rossi (1966) made early mention of the term social resources, and early considerations of the relationship between socioeconomic status and social resources are those by Laumann (1966, 1973). Eventually, scholars came to agree that ‘second order resources’ (Boissevain, 1974), the resources of the persons we know, can also be seen as ‘capital’, and that it is useful to distinguish them from personal (financial, human, cultural, political) capital (Bourdieu, 1980; Coleman, 1990; Loury, 1987) since they are complementary in individual goal attainment.1

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1Some authors have proposed to use the term ‘social capital’ as referring to one single, accumulated potential of social resources, whereas the term ‘social resources’ should be reserved for mobilised resources.
Parallel to these theoretical developments, in the 1970s social networks research gradually established itself as a separate field within sociology, studying patterns of relationships between people and their implications. Mostly, such patterns were considered as constraints on individual behaviour. At the same time, another branch of social network research focused specifically on the emergence of social networks. These two perspectives remained unrelated for a long time, and separate explanations were worked out within either (Flap, 2002, 2004). Since the 1980s, a large body of research was also devoted to the concept of social support. Within this field, transactions between individuals were studied mainly as the outcomes of social networks, in the form of actual help received by individuals. Often however, it was also taken for granted that the mere presence of alters makes individual goal attainment more easy (Flap, 1991).

Earlier, a general understanding of (financial, political, human, cultural) resources as capital had successfully been incorporated into social research. A capital is generally understood as “a stock (at a point of time) of different capital goods”, where capital goods are “produced commodities which are required for production no matter how much or how little they are subject to wear and tear” (Hennings, 1987:327). Eventually, this idea was also transferred to the study of social relationships and social networks. Through contributions from several authors, gradually a perspective on social resources became accepted in which it was considered social capital. In the case of social capital, the ‘capital goods’ in Hennings’ definition are represented by the resources owned by social network members, whereas the ‘wear and tear’ can be imagined for both the resources themselves, as well as the relationships with social network members. Another parallel between the concept of social capital and the traditional understanding of capital is that the harvest of returns from social relationships – social resources – is possible only if preceded by investments: resources spent on others with an aim to generate eventual returns (Flap, 2004). The strength of this ‘capital’-perspective on social networks was further augmented by the possibility to include other analogies with economic theory, such as an application of the law of diminishing marginal returns to the growth of social relationships and networks, and social resources (see Section 3.2.1).

Over the last two decades, the idea of social capital has shown to be fruitful in social research. It was recognised that it can shed light on the distribution of social resources within a society (Flap, 1999, 2004), and can produce insights in how people can make their actions in general more productive and efficient (Lin, 1999a). The development of social capital theory has also ignited a whole new array of sociological questions. Traditional inequality questions about the relationships between social background, human capital, and ambition can now be extended with the effects of relationships to others: what is achieved by individual merit, and what is achieved by knowing the right people? Which contacts are useful, under which circumstances, and which are not? Why do social resources sometimes ‘fail’? And why do some people seem to know so many more others? (Flap, 2004). Social capital research also promises to provide new insights in social network and social resources research, by providing a theoretical framework in which the evolution of social networks, and their effects on goal achievement can be united. Social

In other studies (e.g. Flap, 1991; Flap & Völker, 2001) the concept of ‘social resources’ refers implicitly to social resources theory (Lin, 1982), and ‘social capital’ is used only when explicitly linked to an individual investment perspective. In this study ‘social capital’ is used as an overarching term for any kind of collection of ‘social resources’.
capital is a potentially useful notion to answer questions regarding social inequality, social cohesion, and the interconnection of the two fields (Flap, 1999, 2004).

Social capital research is a relatively recent research topic. It is remarkable that even within such a short timespan it has already become clear that its investment-linked view on contacts between people, and the help that is exchanged through these contacts, can indeed be a useful tool in explaining how people achieve what they want from life. However, the ‘field’ of social capital is as yet far from integrated, and produced a lot of theoretical and empirical questions that did as yet not receive a proper answer. In addition, the term ‘social capital’ was picked up by so many authors, from so many different viewpoints, that its meaning runs the risk of being diluted to homeopathic magnitudes. Before an overview of these problems can be discussed, a general outline of the workings of social capital is necessary.

1.1.3 Basic presumptions

It does not come natural to an individual to count resources owned by others as his or her ‘capital’: the resources of others can not be controlled directly and generally, not all others automatically share or give away their resources when asked. Instead, they try to maintain and protect them. Nevertheless it can be observed that people do give others access to their resources, but only under certain conditions, for example when they trust others, or feel that help may be returned in the future. The basic understanding of social capital theory by most scholars is that these conditions can be specified with notions of reciprocity, complementarity, and trust, and the presence of norms.

Generally, transactions with other actors are possible when there is a shared interest in some potentially exchangeable good or service, and when the involved parties can arrive at a common evaluation. First of all, transactions with social capital are enabled because the present value of help for the receiver is usually greater than the costs for the giver (Coleman, 1990:309-10). Furthermore, others can and will generally help an actor by making their resources available, because they can expect something in return in the future to balance their efforts, when they are in need and there is a reversal of fate (Flap, 2004). The idea that needs and services are complemented by repayment at unspecified, later points in time, in as yet unknown forms is referred to as delayed exchange (see also Section 2.2).

Across cultures all over the world, an idea seems to prevail that transactions need to be balanced, and that it is generally unacceptable to receive or take from others without offering something in return. This normative idea of reciprocity comes in many shades of intensity (Uehara, 1995; Sahlins, 1974) and becomes especially important when the time lapse between resource offered and resource returned becomes longer. When resources are made available to others, there is always a risk of being taken advantage of, and nothing is eventually returned for any performed services or goods provided. In order to accomplish such transactions, there needs to be a conviction that that the other party will eventually return the favour. This basic understanding is the core of how social capital transactions work: returns from social relationships are enabled because there is trust in another party (the concept of trust will be returned to in Section 2.2.2).

The idea of reciprocity dictates that accepting help from one party should be balanced at some point in time. Therefore, at instances of help exchange an obligation is
created to return a favour in the future: a ‘credit slip’ or debt that can be repaid at a point in time when the situation is reversed, and the person from which help has been received in the past is in need for resources (Coleman, 1990:306). The idea of ‘credit slips’ is firmly linked to the idea of investment: a currently performed, as yet unreciprocated action for a specific person or group can be a way of securing help in the future, where a returned action will equal the balance. The presumption that individuals engage in interactions and networking in order to produce profits, in material or expressive form is therefore at the basis of social capital theory: people will purposefully invest in their social relationships when they perceive a certain future benefit from it, and take the expected value of future support as a motivation for action (Flap, 2002). However, this does not mean that people only deliberately socialise to exploit contacts with others: the pleasure that is experienced from social interactions is just as much part of the ‘profits’ as are the pieces of job information, cups of sugar, shoulders to cry on and all other kinds of possible benefits. The everyday exchange of help between individuals is not typically characterised by overly conscious calculations, but nevertheless embedded in clear expectations about the future behaviour of network members, and the general desire to maintain pleasant relationships. Nevertheless, the sometimes over-instrumental tone in social capital studies can worry students of the field.

Delayed exchange and relation-specific trust can only exist by virtue of the presence of trust in a broader context. Social relations and exchanges are embedded in a normative structure dictating specific values and forms of behaviour, that varies over countries, cultures, and religious traditions. Coleman (1990:306) considered the presence of larger-level trust to be a prerequisite for the availability of social capital to individuals: “there has to be a general level of trustworthiness of a social environment”. His idea was that if there is no general moral agreement on the fact that received services have to be repaid, or if there is no-one who exerts sanctioning power, exchanges between familiar actors (such as close kin) are still possible, but generalised, delayed exchanges with others become less likely, since the returns to investments in social relationships become uncertain. In such situations, one can easily be taken advantage of, opportunism can flourish, distrust will be more difficult to overcome, and the whole idea of social capital will eventually have no value. A large number of studies has been published about the role of the general level of trust for social capital transactions, and in some studies trust has even been equated to social capital (this issue will be returned to in Section 1.2.1).

In addition to a general level of trustworthiness in a given social context, norms of solidarity – reflecting that others should be helped when they are in need – can be assumed to vary over cultures and over time. Fluctuations in the adherence to these norms have spawned worries by many authors, who see a rise in individualism and a decay in social cohesion and ‘civil society’ in general: declining trends in general levels of trust in others, lack of solidarity, and the disappearance of involvement in voluntary organisations in the United States in specific (Fukuyama, 1995; Paxton, 1999; Putnam 1993, 1995a, 1995b). Summarised, these authors see a downfall in social capital, as it is a by-product of civil society, which is declining itself. This argument generally surpasses the fact that strong norms cannot only help flourish social capital and its benefits, but also prevent them.

\[^{2}\] However, others do not always make their resources available voluntarily. Resources made available by normative pressure are not preceded by ‘credit slips’ that can be repaid, and it is questionable whether this should also be called social capital (Flap, personal communication).
Strong norms dictating who will be helped and who is excluded from help can cause detrimental externalities for exchanges of social resources, for example when the norm that relationships with family members are the most important ones is observed strictly, and transactions with others are avoided.

1.1.4 Perspectives

Theorists in the field of social capital all seem to agree on the definition that social capital comprises “expected returns to social relationships”: relationships with and between others help individuals to accomplish goals they cannot achieve on their own. Social capital has aspects on both the individual level (investments, relationships, reciprocity, resources) and collective level (trust, norms, cohesion), however, and the opportunities produced by it can occur at different levels of social structure (Paxton, 1999:93). Its study therefore involves phenomena on different levels of analysis. However, theory development and empirical research have moved towards two main directions, within which the term ‘social capital’ has received distinct meanings, and is often considered the only ‘real’ social capital (Paxton, 1999).

One group of researchers sees social capital as a collective good, that emerges from group participation and involvement: a collectively produced and owned quality of populations, from which all members may benefit (Coleman 1988, 1990; Loury, 1977, 1981, 1987; Portes, 1998; Putnam, 1993, 1995a, 1995b; Woolcock, 1998). For example, Putnam (1993:19) defines social capital as “connections among individuals, social networks and the norms of reciprocity and trustworthiness that arise from them”. Other definitions of social capital on the collective level do not specifically refer to collective action or resources, but to the relationships between norms, trust, and social cohesion. Research questions within this perspective of collective level social capital are usually twofold: first, how certain groups develop and maintain social capital, and second, how social capital enhances group members’ life chances (Lin, 1999a). The main criticism on collective level social capital research concerns its fuzziness: often distinct components of the studied processes are not made explicit, nor what are distinct causes and consequences within these processes (Durlauf, 2002). In addition, there is hardly any attention to less beneficial or clearly detrimental effects.

Another group of scholars focused on social capital as an additional pool of resources embedded in the social networks of individuals, which can help to achieve individual goals in conjunction with or instead of personal resources (Bourdieu, 1980; Burt, 1992; Flap, 1991, 1999, 2002, 2004; Erickson, 1996; Lin, 1999a/b, 2001a/b; Portes, 1998; Sandefur & Laumann, 1998). The tradition of this individual level social capital perspective goes back to social network research in the early 1970s. Although many of these authors use specific definitions for social capital, most have defined it in terms of alters, resources, the availability of these resources to a focal actor, and interconnections between alters. The two main research questions within this perspective are how individuals invest in social relations and create social capital; second, how individuals handle their social capital in order to generate a return from it: how they make it productive (Lin, 1999a). Recent publications have specified additional, more detailed questions that need to be answered for a thorough understanding of how social capital works, and under which circumstances (Flap, 2002, 2004). Criticism on individual level social capital concerns its over-instrumental or
over-rational focus on human relationships, and the absence of attention to unproductive, constraining and even more negative effects of social relationships (see Section 1.3.2).

1.1.5 Topics and problems

Many studies have investigated the benefits of having the ‘right’ kind of network in the achievement of specific goals. Social capital has most often been considered useful for instrumental outcomes, such as the attainment of better education (e.g. Coleman, 1988; Carbonaro, 2003; Veenstra, Dijkstra, and Peschar, 2003), the attainment of general status (see overview in Lin, 1999b), or finding a job (e.g. Bartus, 2001; Boxman, 1992; Bian, 1997; De Graaf & Flap, 1986; Flap, 1991; Granovetter, 1974; Lin & Dumin, 1986; Moerbeek, 2001; Mouw, 2003). Many studies have specifically investigated the benefits of social capital in the business domain: getting better jobs or pay, or early promotion (e.g. Seibert, Kraimer, and Liden, 2001; Burt, 2001). Others investigated benefits such as health-related social support (Van Leeuwen, Flap, and Tijhuis, 1993), mental and physical health (Lin, Dean, and Ensel, 1986; House, Landis, and Umberson, 1988). Also, the impact of social capital on the formation of one’s cultural capital has been considered (Erickson, 1996).

The large quantity of studies devoted to social capital, and the almost explosive growth of the field in the second half of the 1990s has also given rise to a number of problems. One of these is that ‘social capital’ runs an increasing risk of becoming a hollow phrase that can be stuck on research that involves anything social, and can be used to draw attention to older research topics.³ Attention has been called by several authors to prevent social capital from becoming a ‘catch-all’ phrase, and to focus on specific problems and questions within the field (Flap, 2004; Paldam, 1999; Lin, 1999a).

The fact that social capital research has been conducted from such different angles has also resulted in discussions about which is the ‘real’ social capital. Partly, this an arbitrary discussion, since collectively and individually defined social capital often refer to completely different phenomena. There is agreement on the fact that both strands of research have aspects on both the individual and collective level, but an integrated approach to it in terms of theory and operationalisation is only slowly developing, although recent studies have started to consider relationships between variables from both perspectives (e.g. Lin, 2005; Magee, 2005; Bekkers, Völker, Van der Gaag, and Flap, 2005).

A final problem that hampered progress in social capital research has been the lack of standardised, reliable, theory-driven measurement instruments (Flap, 1999, 2002; Snijders, 1999; Lin, 1999a). In this study, the central aim is to contribute to a better understanding of social capital by focusing specifically on this problem of measurement.

1.2 The problem of measurement

There has been much discussion about how social capital should be measured, featuring a number of separate problems. The most important of these is how to order the multitude of theoretical concepts that play a role on the different levels at which social capital can be understood. Full-blown, theory-driven measurements of social capital have been relatively

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³Not related to scientific endeavours, on the internet the term social capital has also been adopted by US accounting agencies to indicate tax-deductable charity donations.
rare, and measurements were often of a very ad hoc nature, showing little standardisation (Flap 1999; Snijders 1999; Lin, 1999a, 2001a). Many studies contemplated the merits of specific qualities and distributions of social capital on a theoretical level, but often similar elements were operationalised differently. Furthermore, an abundance of measures have been developed based on data that were not specifically designed for the measurement of social capital, but that happened to be available for analysis (Van der Gaag & Snijders, 2004). There is a need for standardised measurements however, because it has become unclear whether all these different operationalisations concern the same concepts, or each refer to distinct elements. This lack of possibilities for structural comparisons has made thorough and specific testing of social capital theory difficult, and hampers empirical and theoretical development in the field, for which reliable, quantitative information is needed (Flap, 1999, 2004; Snijders, 1999).

In order to develop a clear approach to the measurement of social capital, the specification of several sub-problems is needed first.

1.2.1 Obstacles

Social capital is a composite concept, and each of its elements (alters, resources, willingness, structure) is subject to change, which make it difficult to capture and measure the concept reliably (Flap, Snijders, and Van Winden, 1996). For some time, a certain reluctance existed in the field of social capital to develop measures at all, because of the complexity of the concept. A quote of Coleman often returned in discussions: “whether social capital will come to be as useful a quantitative concept in social science as are the concepts of financial capital, physical capital, and human capital remains to be seen; its current value lies primarily in its usefulness for qualitative analyses of social systems and for those quantitative analyses that employ qualitative indicators” (Coleman, 1990:304-5). Clearly developed definitions of social capital suitable for operationalisation remained absent, but in most theoretical discussions inequality between individuals or groups regarding their social capital was not only spoken of in terms of quantities, but differences in outcomes of social processes were often also explained as caused by this inequality. Discussions in these terms require not only qualitative, but also quantitative, systematic measurements of social capital. Without measurement, neither real tests of social capital theory, nor descriptions of trends in access to social resources, nor relevant policy advice are possible.

The reluctance to develop social capital measurement methods also originated in confusion about which perspective to take on social capital. On both the collective and individual level problems were formulated. The measurement of collective level social capital has led to many conceptual difficulties, as norms, trust, and social cohesion are sometimes seen as parts of social capital, but sometimes also as outcomes of social capital processes. Subsequent disentanglement of causes and consequences in collective social capital discussions is therefore very difficult (Lin, 1999a; Portes, 1998). Nevertheless, several authors have tackled this problem and worked towards standardisation of measurement methods (Lochner, Kawachi, and Kennedy, 1999; Onyx & Bullen, 2000; Grootaert, Narayan, Nyhan Jones and Woolcock, 2003; Hjollund & Svendsen, 2003; an overview of older studies is provided in Narayan & Cassidy, 2001). Some authors see convergence in this field and
emphasise that there is more conceptual rather than methodological differentiation (Van Deth, 2003).

At the individual level, the measurement of social capital has also been regarded as a complex problem, but in terms of operationalisation rather than conceptualisation. A major problem is that the concept represents such a heterogeneous collection of resources: essentially, any resource that is owned by another actor can be social capital. The problem of measuring heterogeneous (financial) capital is older than the controversy on specifically social capital:

“It is impossible to express the stock of capital goods as a homogeneous physical entity. As a consequence of capital’s heterogeneous nature, its measurement has become the source of many controversies in the history of economic thought”. (Hennings, 1987:345).

The same is true for social capital, and not only is it the question which elements of social capital should be counted, and how, but also how to model the counted elements into meaningful indicators.

A second obstacle in the measurement of individual level social capital concerns its ownership. Unlike other forms of capital, social capital is not automatically available to the individual, and refers to resources owned by other actors: “There are no exclusive rights to social capital” (Burt, 1992:9). As an exception, Coleman (1990) suggested that strong helping norms within families may act as a system exerting similar control over each others’ resources.

For some time the misunderstanding prevailed that measuring social capital required the development of a unidimensional indicator. Indeed, many researchers who made efforts to operationalise and measure social capital constructed a single measure (Borgatti, 1998). This is regretful, as the various constituents of social capital identified on the theoretical level (alters, resources, relationships, and/or norms and measures of trust) make it a multidimensional concept. Only with severe simplification can it be summarised by a single measure, which then is useful only for studies with very broad questions (see Section 1.2.3). Even more serious problems can be expected when such single social capital indicators are based on responses to single questionnaire items: these generally show low reliability and validity (Glass, Mendes, Seeman, and Berkman, 1997).

Within the perspective of collective level social capital, measurement has often been based on a single indicator since data are available from several long-standing, nationwide surveys (such as the American General Social Survey). An often use operationalisation is a response to the single question “Do you think that most people can be trusted?”. The average level of agreement with this statement indeed differs substantially between countries (Cote & Healy, 2001:44). However, respondents in different contexts also define trust differently, and the question potentially evokes a whole series of different answer decisions with respondents. Experimental research suggests that responses to such questions do not refer to trust in others, but to the trustworthiness of the respondent him- or herself (Glaeser, Laibson, Scheinkman, and Soutter, 2000; Bellemare & Kröger, 2003).
1.2.2 Clues

Fortunately, productive thoughts on the quantification of social capital have also been developed. Although perhaps implicitly, Bourdieu (1980) initiated ideas with the use of the term ‘volume’ as a theoretical quantification of social capital. He defined this as a function of the size of the network and the volume of (human, cultural and financial) capital owned by individuals within the network. Flap (2002, 2004) elaborated on this by stating that, apart from owning resources, network members also have to be found willing to give access to their resources. Therefore, this willingness should also be taken into account in measures.

A structural emphasis on the measurement of social capital was based on the study of mutual connections in the social network, and began in the early 1970s with Granovetter’s (1973, 1974) notion of the ‘strength of weak ties’ (see also Section 2.1.3), postulating that certain positions of an individual in a social network lead to better returns to social capital. Others elaborated on this idea by suggesting that since certain network positions lead to better returns to social capital, structural qualities of these networks can also be used to summarise a person’s social capital (see overview by Borgatti, Jones, and Everett, 1998); however, the resources embedded in these structures were usually not addressed. Because they received more attention, social network investigations have been relatively well standardised. Investigations of resources in social networks have not, however (Flap, 1999).

Researchers focusing on measuring resources embedded in social networks translated the measurement of social capital into accessing social network members in certain positions in society, from which several summarising characteristics of their social capital could be derived (Flap, 1991, 1999, 2002, 2004; Lin, 1999a, 2001a; Lin & Dumin, 1986; Lin, Fu, and Hsung, 2001; Erickson, 1996, 1998, 2001, 2004a). This resulted in two important notions. First, that social capital showing more diversity in relationships and associated resources is more useful (Flap, 1991:6182; Erickson, 2003). Second, that it is useful to access people in the highest positions in hierarchies, since these control more resources, have more information about others, and have more influence (Lin & Dumin, 1986; Lin, 2001a:64–65).

Summarised, many studies did quantify the idea of social capital, but put emphasis on only some of its elements. A focus on either measuring social network structure or accessed social resources led to interesting and useful findings, but an integrated approach was not often been followed. Gradually, an understanding has formed that it is unsatisfactory to measure only network ties, or embedded resources without information about the opportunity to mobilise these. For the measurement of social capital, the inclusion of most of the following four dimensions can therefore be recommended: 1) the alters to whom ego has access 2) their resources 3) the availability of these resources for ego 4) the structure of ego’s social network (Flap, 2002, 2004). From indicators of these dimensions measures can be constructed based on notions of volume, diversity, a high reach into hierarchies or other ideas. Lately, it has also been emphasised that different types of social capital will probably help to attain different goals. A simultaneous empirical testing of these considerations may show for which outcomes which configuration of social capital may be beneficial.
1.2.3 Aims

For the development of measurement instruments for social capital, it should especially be made clear which general research questions should be investigated with them.

Productivity

The basis of social capital research is an inequality question: people equipped with better social capital will succeed better in attaining goals (Flap, 2004). The resources of others are helpful in goal attainment because they add to personal resources, or because they help individuals to attain goals that cannot be realised otherwise. The general purpose for which social capital measures need to be constructed is therefore to investigate whether social capital is productive in goal attainment. Irrespective of any specific individual goal under study, this overarching question includes several steps in empirical investigations.

A first step is to establish whether there is a relationship at all between accessing or using social capital and any outcome studied. For some goals and life domains, it is imaginable and possible that social capital has no effect at all: social capital is not a cure for every problem (Flap, 2004; Fischer, 1983), and to attain some goals its use may be awkward or a disadvantage (see Section 2.3.2). Furthermore, when an effect of social capital is detected, its magnitude is interesting, especially in comparison to effects of personal resource collections on the same outcome. Finally, the question may be whether the relationship between social capital and a studied outcome variable is positive. Theoretically, it is also possible that in some life domains and contexts a negative relationship exists. Because people cannot predict the future and do not want to be caught on the wrong side, they may over-invest in relationships (Flap, 2004), which will cost more than it may gain. Individuals can also anticipate support from network members that is eventually not delivered; personal resources may therefore be mobilised whereas the expected returns are never delivered.4

A comparison of empirical findings based on these questions should provide an answer to the general question under which circumstances social capital is productive for which goals.

Goal specificity

A second research question for which social capital measures are needed is “Which part of social capital is productive for what?” Since it is not likely that social capital is equally productive for every possible outcome, the question is which of its elements are responsible for a given effect. It seems plausible that for the attainment of particular individual goals not all kinds of resources represented by social capital will be important at the same time. Specific configurations of relationships, and the availability of specific kinds of resources may have distinct roles in its productivity. Such more detailed productivity questions are therefore about the goal specificity of social capital (Flap, 1999; 2002). Roughly, productive social capital can be goal specific, or goal unspecific.

4This is explicitly the case for what is sometimes understood as ‘negative’ or ‘sour’ social capital, which includes relationships without positive returns, irrespective of any investments; this is further elaborated in Section 1.3.2.
Social capital can be considered goal specific when exactly the right resource or person is needed to attain a certain outcome. For example, research on occupational status attainment has shown that it is not the number of people that is willing to lend a helping hand, but the availability of very particular network members with specific resources that are critical in helping to find a job (Lin, 1999b), or to attain job satisfaction (Flap & Völker, 2001). On the other hand, social capital can work as the ‘castor oil’ or lubricant of transactions (Flap, 2002): knowing people may help irrespective of the typical collections of resources they own, in unforeseen ways. This may be because these contacts may work in conjunction with personal resources (for example because the presence of any network member may increase or encourage optimism about job opportunities, which may have a positive effect of personal efforts in job search (Tazelaar, Flap, and Sprengers, 1983)), or because they are helpful contacts in links to a second-order ‘friends of friends’ network (cf. Boissevain, 1974). Such goal unspecific effects can also exist because social capital can emerge as a by-product of other transactions. For example, for the achievement of personal well-being in the form of affection or behavioral confirmation can come from resources of many different people, and often also unintentionally. Flap (2004) hypothesises that relationships with highly trusted others are a major component of this ‘all-purposive side to social capital’, whereas the attainment of particular, more instrumental goals is probably more dependent on goal-specific social capital.

When specific dimensions (alters, resources, network configurations, subsets of specific resources etc.) of social capital are hypothesised to have an effect on a certain outcome, separate measures are also needed as indicators of these elements. Early considerations of social capital measurement therefore already argued that single numbers do not suffice as social network measures when the goal specificity of social capital is investigated (Campbell, Marsden, and Hurlbert, 1986). Instead, investigation of the goal specificity of social capital needs multiple measures. This can be imagined as a common multiple regression analysis, which would have a certain outcome value of a social process as a dependent value, and a set of social capital indicators as independents (besides control variables for other resources). If none of the social capital indicators proves to be successful in predicting outcomes, there is apparently no relationship between social capital and the outcome. Second, if only some social capital measures are successful in predicting outcomes, there is a certain goal specificity present: some subcollections of social capital are related to that outcome, and others are not. In addition, interaction terms between the social capital measures, and individual or context characteristics may provide additionally interesting information. Third, if all social capital measures prove to make significant contributions to the prediction of a certain outcome, and the relative weights of the different measures are the same for all, or a wide range of meaningful dependent variables, there is a strong but as yet unspecific relationship between social capital and its returns. In that case, there may be no specific social capital portion responsible for a certain process, and it may be concluded that social capital works as ‘castor oil’ in that particular research context.

**Distribution**

If social capital is productive for individuals, this also implies decreased opportunities for those lacking it, and reproduction of inequality through the use of social capital (Flap,
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1991, 2004; Lin, 2001a:Ch.7). This leads to a further general question for which measures should be developed: “How is social capital distributed over the general population?” (Flap, 1991, 2002, 2004).

In earlier research gender, age, education, status, income, and labour market status groups were identified to differ regarding their social networks and access to social capital (Lin, 1999a). However, these investigations become more interesting when they are made more detailed, and extended to the general question which social resources are accessed by whom. Detailed information about access to specific social capital is currently only available for specific life domains (such as personal discussion networks, support in times of illness, etc.), for specific populations (males, urban dwellers, higher educated job searchers, security industry employees, the elderly, etc.) or specific alters (parents, children, spouses). The distribution of general collections of social resources in general populations is largely unknown, but more interesting for the general understanding of how social capital works.

Measurement of social capital should therefore focus on the development of measures capturing general collections of social resources, for a general population, that can show contrasts between social groups in their opportunity to access or use social resources. Aiming to measure ‘general’ social capital means considering social resources that serve a meaningful purpose for most individuals in a certain population. Since any resource that may help in goal achievement of a focal individual, but is in fact owned by a social network member, can be regarded social capital, a collection of social resources under consideration will have to be an extremely varied one. Consequently, the measurement of ‘resources’ should be taken very broadly and range across several domains of life (such as from the home domain to the work floor), and from the instrumental (borrowing sugar or money, help when moving) to the immaterial (provision of information, affection, and influence).

1.3 Choices in approach

Even with clear questions and clues for measurement in mind, the social capital researcher still faces a broad range of possibilities in trying to answer these. Several explicit choices in operationalisation are therefore needed.

1.3.1 Individual or collective level

Since the creation, use and possible returns to social capital do not only refer to resources embedded in social relationships, but also to contextual and macro-sociological conditions, the concept clearly has aspects on several levels of society. To fully understand its formation and impact on the lives of humans, an approach that integrates elements from individual and collective levels would therefore be desirable. In the current state of social capital research, where results from two veins of research are still largely separated (see Section 1.2.1), a solid operationalisation seems to be viable only when a choice is made for one of these levels. Several arguments point to individual level social capital being the most useful perspective for a current development of measures. First, individual level social capital is more consistently defined than collective level social capital, and shows less diverging collections elements in its conceptualisation. Second, many conceptions of
collective level social capital have much in common with traditional research on social cohesion, whereas individual level social capital definitions are closer to traditional notions of ‘capital’. For example, studying investments and returns to collective goods will open up a whole new set of additional research questions, which may further complicate social capital research instead of answer current research questions. Third, for the development of measurement instruments individual level social capital offers the most simple and clearly defined units of measurement. The idea of social capital research as followed in this chapter is also clearly in the vein of rational choice theory, in which all actions can be understood better when the individual perspective is taken. Finally, individual level social capital notions are more often based on social network research, a well-established research area, which prevents ‘re-inventing the wheel’.

Summarised, in the remainder of this study, an individual level perspective for ‘social capital’ is chosen. Without further specification, this level is intended when ‘social capital’ is mentioned.

1.3.2 Positive and ‘negative’ social resources

A choice to develop measures for individual level social capital does not imply that only benefits of social capital should be studied. Fischer (1982a) remarked that social relationships have a ‘double edged nature’: they also confront the individual with constraints to goal attainment. First, because social capital transactions are based on delayed exchange (see Section 1.1.3), they also involve risk or uncertainty regarding outcomes and future returns (Flap, 1987; Portes, 1998; Portes & Landolt 1996), which can make them less attractive compared to the application of personal resources. Furthermore, social network members can frustrate one’s goal attainment, either by making overly strong commitments that constrain the improvement of one’s own fate (Portes, 1998; Portes & Landolt, 1996; Rook, 1990; Gabbay & Leenders, 1999) or by ‘sour’ relationships with others, who may actively try to hamper one’s goal achievement and behave as enemies (Moerbeek, 2001; Moerbeek & Need, 2003; Völker & Flap, 2001) and even show active, destructive behaviour (for example in case of marital violence, see Rusbult & Martz, 1995). Third, positive social capital may also have its ‘negative effects’: workers in a work team may fail to work hard because they spend too much time being social (Flache & Macy, 1996; Völker & Flap, 2001). In addition, the negative effects of neutral ties have been considered; by being inactive, these can have an adverse effect and discourage support (Liu & Duff, 1972).

For a complete understanding of the effects of social networks and social capital, the negative outcomes and constraining effects of social interactions should also have a place in general theory. However, in the present stage of measurement development it is probably too early to integrate these. Among all social interactions, negative ones (fortunately) form a minority, which makes these effects harder to detect. This is especially so since it is also hard to establish what to count: many social relationships are in some aspects beneficial, and in other respects have disadvantages. In this study, the detrimental effects of social capital are expected to be of secondary importance on a population level. This study is therefore a first-order approach, investigating operationalisation and measurement problems concerned with positive social capital only.
1.3.3 Theoretical frameworks of social capital

Currently, the most elaborate theoretical frameworks to understand the creation, mobilisation, effects and the mechanisms behind the effects of positive, individual level social capital are those by Flap (2002, 2004) and Lin (1999a, 2001a). In the works of both Flap and Lin a distinction is made between three stages of action associated with social capital: the creation of social capital, the mobilisation of social capital, and the harvest of returns from mobilised social capital. The basic idea behind the distinction of these stages is the need to disentangle the processes between having access to social capital, and the use of created social capital (Flap, 1991; Lin, 2001a; the explicit use of the distinction between these processes for social capital measurement will become clear in Section 1.3.4). The clearest illustration of this distinction is featured in Lin’s ‘network theory of social capital’ (2001a).

The first stage of this theory is called the ‘inequality’ of social capital; it includes studying factors and mechanisms that are the “conditions facilitating access to social capital” (Lin, 1999b, 2001a:245–246). Social capital is observed as being created by the formation of relationships, which in turn are determined by conditions on the individual level (personality traits, personal resource collections, and investments in relationships), the macro-level (political climate, geography), and the interaction of both – the position of the individual in society. Aggregated to the macro-level, these conditions lead to an unequal distribution of social capital over the population, which for the individual actor lead to a specific ‘access to social resources’. The ideas of Flap (1991, 2004) further clarify the micro-level processes of this stage, in that individuals are seen as to invest in social relationships with a certain rationale: they actively try to produce a good life and improve their life-chances, and in doing so employ their resources accordingly, either by applying their personal resources, or by investing in relationships with others. The resources they select, and therefore also the investments they make in relationships, are dependent on the expected returns: the perceived future value of each of these actions.

In a second ‘capitalisation’ stage of Lin’s theory the use of social capital is observed. Social capital can be mobilised in two categories of actions: instrumental actions, and expressive actions. Instrumental actions are aimed to obtain resources initially not owned by an individual, such as finding a house, a job, material wealth, and status attainment in general. Expressive actions are aimed at the maintenance, consolidation, and defense against possible loss of resources already owned; returns from such actions are for example the reception of personal support, and the sharing of sentiments (Lin, 2001a:45–46).5

The returns to the use of social capital is studied within a third stage of Lin’s theory, in which instrumental and expressive actions are assumed to have specific outcomes. Instrumental actions have economic, political, and social returns, which can become additions to ego’s personal resource collections. Economic return is represented by material or financial gains (wealth), political returns comprise changes in the individual hierarchical position in a collective (power), and social gain is indicated by reputation or status: opinions about an individual in the social network (Lin, 2001a:244). Expressive actions may result in physical health, mental health, and life satisfaction as returns. Physical health

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5 Arguably, maintaining one’s resources can also be considered an instrumental action. For reasons of consistency and convenience, throughout this study the distinction made by Lin between instrumental and ‘expressive’ actions is used, however.
involves maintenance of physical functional competence and freedom from diseases and injuries. Mental health reflects capability to withstand stress and maintenance of cognitive and emotional balance. Life satisfaction indicates optimism and satisfaction with various life domains such as family, marriage, work, and community and neighbourhood environments (Lin, 2001a:244). Although instrumental and expressive actions are expected to show differential returns, they also may reinforce each other. For example, physical health offers the capacity to handle enduring work load and responsibility needed to attain economic, political, and social statuses. Likewise, economic, political, or social statuses often offer resources to maintain physical health (exercises, diet, and health maintenance). Mental health and life satisfaction are likewise expected to have reciprocal effects with economic, political, and social gains (Lin, 1999b).

### 1.3.4 Access or use measures

For the set of research problems introduced in Section 1.2.3 it seems most productive to develop measures for prospective research, with ‘yard-stick’-like qualities. Social capital measurement instruments could be developed for each of the three stages of Lin’s theory: both access to and use of social capital can be operationalised and measured, whereas returns to social capital can be studied in any form, dependent on the study area of interest. The specific meaning of social capital is its role as an explanatory or independent variable, so in developing measurement instruments, the focus must be on the first or second stage.

**Access to social capital**

Starting measurement with a focus on inequality implies measuring individual access to social resources at a given moment in time. This means the quantification of an accumulated potential of social resources that could be mobilised by an individual, but none of the actions with social capital itself. Social capital measured this way is thus only a potential, the ‘real asset value’ of social capital (Degenne, Lebaux, and Lemel, 2004); in earlier investigations this operationalisation has also been denoted as ‘network resources’. Measuring access to social capital therefore means making an inventory of resources within an individual social network with prospective questions, comprising measurements of alters, resources, the availability of these resources from alters, and measures of relationships between alters. The advantage of this type of social capital measures is that they are relatively context free. However, questions could be whether measuring the potential access to all alters and resources is not a little inefficient, and also whether people have clear ideas about their social capital, especially since such questions refer to imaginary situations.

In reality only a small fraction of the potentially accessed social capital is mobilised, and for good reasons. Most individual goals are attained by applying mainly or only personal resources or publicly available resources, and it is certainly not social capital that is relied on (this will be further elaborated in Section 2.3.2). Second, often several network members can give access to the same kind of resources, and since for many goals only one

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6Degenne, Lebaux and Lemel (2004) however note that under certain conditions, such as frequent exchanges of support regarding household chores and odd jobs around the house, access and use of social capital can largely overlap.
of these suffices to attain a goal, checking whether the same resources are available from different alters may waste valuable interview time. It can therefore be expected that even in situations where it is certain that social capital is productive, the amount of explained variance in analyses will remain relatively low when social capital access measures are used based on such full ‘catalogues’ of resources: most of the measured social capital will after all not have contributed to this outcome. This problem can be minimised however by a well-considered construction of questionnaires and their items (see Section 3.2.1).

The use of social capital

The measurement of social capital can also focus on the mobilisation or use of social resources, including the investigation of which resources available from one’s social network have been used, and, possibly, under which circumstances. Mobilised, valuable social resources have specifically been studied as contact resources (Lin, 1999a): resources associated with contacts or helpers in specific actions. This has resulted in research where certain outcomes of interest were a starting point, and the investigator went back in time to see which network members helped a focal individual with social resources, besides the application of personally owned resources (e.g. Lin & Bian, 1992; Bian, 1997; Flap & De Graaf, 1986). Contact resources are usually referred to in terms of theoretical resources wealth, power, and status, and are then measured in the context of specific actions, such as the search for a job. Social capital mobilisation research is of a more retrospective nature than research of social capital access, and also more context specific. It concentrates on actions and outcomes, and therefore seems closer to investigating the productivity and goal specificity of social capital. When compared to the study of accessed social capital, it avoids the ‘noise’ generated by all measurements of unused social capital. However, concentrating on the use of social capital introduces new problems.

The mobilisation of social resources is not only dependent on the presence of resources in the social network, but also an outcome of a decision process made by individuals with certain positions in society. This decision process includes factors on both the individual and collective level. On the individual level, four determinants can be distinguished that influence measures of social capital use. First, social capital mobilisation often requires spending individual resources first; for example social skills are needed to ask for help, and contacting and meeting others also introduces costs. Social capital mobilisation is to some degree dependent on access to other resource collections, which varies over the population. Measurement of the use of social capital is therefore confounded with the measurement of personal resources: individuals who used social capital could also afford to mobilise it.

Second, asking for help is the outcome of an individual decision process. As was introduced in Section 1.1.3, using social capital is based on reciprocity, and creates obligations for repayment in the future. Therefore, it can be assumed that individuals who used social capital could not only access resources and afford their mobilisation, but in addition also agreed with a possible future repayment to be asked from them. This introduces personal ethical stances towards asking other people for help as an additional variable in the explanation of social capital use: some people simply do not like to ask others for favours, because they take a certain pride in being self-sufficient, or because they do not want to create outstanding debts (see Section 2.3.3).
A third determinant in social capital use is that the intrinsic need for help from others may differ between individuals, for example because of differences in health or wealth. Combined with other determinants on the individual level, this leads to interpretation problems: individuals who are observed to use social capital must have needed help, must have accessed resources, and must have been able to afford mobilisation and found this acceptable. However, the relative importance of these factors remains obscure without further additional measurement. Moreover, little can be said about people who did not use social capital to accomplish their goals: either they did not access resources, did not need them, found it unacceptable to ask for help, etc. An assessment of social capital use therefore does not lead to representative descriptions of the distribution of social capital over the population. In earlier studies, where social capital used for goal attainment was investigated, persons who did not use social capital and relied on solutions publicly available on the job market were often not investigated. Hence, it remained unclear how helpful social capital was for which part of the population (Campbell, Marsden, and Hurlbert, 1986).

Summarised, the measurement of mobilised social capital meets with a number of alternative explanations. It tells us much about people’s behaviour, but less about how social capital helps them in the attainment of goals.

Macro-level aspects

Although this research concentrates on individual social capital, the role of social capital in daily reality is strongly linked to macro-level aspects, such as modelled in the first stage of Lin’s network theory of social capital (see Section 1.3.3) or, in other words, “... to the location and patterning of (...) associations in larger social space” (Sandefur & Laumann, 1998:484). There are also factors on the collective level that influence the mobilisation of social capital, and therefore its value to the individual.

First of all, the individual need for help is directly influenced by the availability of institutional solutions for individual goal attainment, and the relative price of these solutions compared to using social capital (Flap, 1991, 2004). For example, in countries far from the industrialised and densely populated Western world, it is very difficult or very expensive to get one’s car repaired by a professional: a garage and mechanic – the institutional solution to the goal – may be far away, and the social network can be mobilised more easily and cheaply. In industrialised, affluent countries, institutional solutions to goal achievement are generally well available, which causes social capital to be relatively unimportant for many actions (Flap, 2004). Empirical research shows that support that is exchanged in affluent countries is more often socio-emotional or small instrumental help, whereas in other countries social capital also remains important for larger transactions, such as building a house together in Hungary (Sik, 1984).

Second, the extent to which social capital gets used is dependent on cultural differences in ‘helping ethics’. Personal, ethical stances towards asking other people for help (see above) also have a cultural component, which may be an additional explanation for observed differences in social capital use in between-country comparisons: in some populations and cultures, asking for help is generally acceptable, whereas in others it may more often be explained as personal weakness. Furthermore, Coleman’s (1990:306-7) notion about the ‘level of trustworthiness’ in a society applies to the use of social capital: in
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situations where people cannot trust each other, delayed reciprocity is brittle, and social capital will have little use.

A direct, country-specific influence on all these factors is the national political situation and -stability. In capitalist societies, goods and services are unlimitedly available to those who can afford them, whereas e.g. in many (former) communist societies these were only limitedly or unpredictably available. In other countries social relationships may be more reliable in the provision of resources than institutions, which may suffer from high levels of corruption. In addition, specific regulations, such as the ban on free enterprise and personal trade in the former USSR, made barter and investments in social relationships more attractive (see e.g. Badescu & Uslaner, 2003). Since instability is often caused by political change, research studying social networks in changing political climates has indeed shown that network structure, content, and use also change as a result of changing markets and systems. Völker and Flap (1995) showed that the society of ‘niches’ – small, tight networks of highly trusted others – in the former German Democratic Republic vanished after 1989, because of the greater importance of weaker relationships in capitalist society; other examples include changing networks in Hungary after similar political changes (Angelusz & Tardos, 1988, 1991, 2001; Bartus, 2001), and the diminishing numbers of work- and family relationships in social networks of the Chinese after the Economic Reformation in 1979 (Ruan, Freeman, Dai, Pan, and Zhang, 1997).

Summarised, macro-level factors directly influence the relative value of social capital in individual goal attainment, which in its turn directly influences its use. In societies with few opportunities for institutional goal attainment, high levels of general trust, and a conducive cultural climate, much more social capital use can therefore be expected. When constructing measures for individual social capital, proceeding from either an ‘access’ or ‘use’ perspective retrieves information of a clearly different quality. It appears that if the emphasis is on measuring the use of social capital, the context is much more complex. Because this approach also includes phenomena on the psychological, psycho-social, and macro-sociological level, the set of measures needed to capture all these additional variables will be large. Moreover, analyses with these variables may easily end up in confounders including individual needs, styles of personal interaction, and society-specific characteristics. Campbell, Marsden, and Hurlbert (1986) elaborately discussed the advantages of access measures: they are “more unidimensional, and will therefore have a better predictive value in research. In addition, the amount of measures taken can be reduced to a minimum, and resulting instruments can easier be adjusted to specific applications”. Other advantages they mention include better comparisons of available social resources between all actors and not only those who use resources, the possibility to construct and test a priori hypotheses about advantages to actors, the possibility of longitudinal considerations of maintenance and construction of networks, and the development of collections of social resources over time.

This study has the intention to develop general, ‘domain-unspecific’ measures for positive social capital that can serve as clear independent variables in future prospective research. For these purposes, ‘access’ type measures seem most useful. In the remainder of this study, social capital measures will therefore only be developed from an ‘access’-perspective.
1.3.5 Definition

The choices made in previous sections result in a definition of social capital that will be used as a basis for measurement construction in the remaining chapters:

Social capital is the collection of resources owned by the members of an individual’s personal social network, which may become available to the individual as a result of the history of these relationships.

The fact that the resources of others are accessible is captured in the “history of the relationships”, referring to established reciprocity and delayed exchange, past investments and outstanding credit slips (Section 1.1.3). Alters in the individual social network, alters’ resources, and the availability of these resources from alters to the individual refer to the three dimensions distinguished by Flap (1999) (Section 1.2.2). Finally, the definition only refers to accessed social capital (section 1.3.4), and therefore represents “resources embedded in a social structure that are accessed and/or mobilised in purposive actions” (Lin, 2001a:29).

The next chapter will examine alters, relationships, resources, access to these resources, and what these mean for access to social capital more closely. An elaboration of notions to count social capital and the construction of measures are central to Chapter 3. In Chapter 4, the data and methods are introduced that will provide the basis for the rest of this study, empirical results of which are presented in the remaining chapters.

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7 The exclusion of patterns of relationships between alters – network structure – in this definition is due to limitations of the available data used in the study.