

Social Capital

A Theory of Social Structure and Action

In *Social Capital*, Nan Lin explains the importance of using social connections and social relations in achieving goals. Social capital, or resources accessed through such connections and relations, is critical (along with human capital, or what a person or an organization actually possesses) to individuals, social groups, organizations, and communities in achieving objectives.

This book places social capital in the family of capital theories (the classical and neoclassical theories), articulates its elements and propositions, presents research programs, findings, and agendas, and theorizes its significance in various moments of interactions between individual actions and social structure (for example, the primordial groups, social exchanges, organizations, institutional transformations, and cybernetworks). Nan Lin eloquently introduces a groundbreaking theory that forcefully argues and shows why “it is who you know” as well as “what you know” that make a difference in life and society.

Nan Lin is Professor of Sociology and Director of the Asian/Pacific Studies Institutes at Duke University. He is author of *The Struggle for Tiananmen* (1992); *Social Support, Life Events and Depression* (with Alfred Dean and Walter Ensel, 1986); *Foundation of Social Research* (1976); and *The Study of Human Communication* (1973). He is coeditor (with Peter Marsden) of *Social Structure and Network Analysis* (1982). His work has appeared in *American Sociological Review*, *American Journal of Sociology*, *Journal of Health and Social Behavior*, and *Social Forces*, among other journals.

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To Alice, Ho, and Ping

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Preface

Sociology, to me, is the study of choices in social relations. It explores the motivations for taking actions, examines what choices are available (perceived or real) in relations, and studies the consequences of such choices. Therefore, central to sociology is the analysis of both action and structure: choice behaviors in the context of structural opportunities and constraints. Choices are made within such opportunities and constraints, and choices interacting with structural opportunities and constraints can also alter or create structural opportunities and constraints. These processes necessarily shift between the macrostructure and the microstructure. How to capture and demonstrate these dynamics is what occupies sociologists' time and efforts.

This monograph is about a theory that suggests that actors (whether individual or corporate) are motivated by instrumental or expressive needs to engage other actors in order to access these other actors' resources for the purpose of gaining better outcomes. The core proposition is that such accessed resources embedded in social relations, or social capital, bring about better outcomes. Thus, social capital is social and useful. It is ingrained in social relations and facilitated or constrained by them. But within such structural opportunities and constraints, action makes a difference; given the same extent and array of relations for two actors, the outcomes may differ, depending on their choice behaviors. In this formulation, I accept the prevailing effects of structure and relations. Nevertheless, I want to stress the theoretical significance of choices.

To do this, I divide the monograph into two parts. In Part I, I begin with a historical account of capital theories (Chapter 1) and the ideas of social capital (Chapter 2). The next three chapters describe the theory from the structural perspective "down" to relational and action dynamics. Chapter 3 describes how resources are embedded in structures, including networks, and Chapter 4 describes how motivations and inter-

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actions propel actors to make choices. Chapter 5 summarizes the elements of the theory and introduces the propositions systematically. Two more chapters demonstrate the research utilities of the theory. Chapter 6 summarizes the research tradition linking social capital to status attainment, and Chapter 7 highlights the important research agenda of inequality in social capital.

In Part II, in extending the theory to several arenas of research, I turn the dynamics around, from choice actions to institutional and structural contexts. I begin with the micro- and mesodynamics to give more emphasis to choice actions. Chapter 8 explores the theoretical possibility that choice actions lead to social structure, and Chapter 9 extends this argument by showing how social exchange, in contrast to economic exchange, carries its own rationality. I continue the discussion of choices in the more constrained context of hierarchical organizations in Chapter 10. Chapter 11 turns to the topic of social change – how the theory of social capital, as formulated in this monograph, may help explain societal transformations, both within the context of existing institutions and in the creation of capital through social networking and alternative institutions. Chapter 12 explores the explosion of cybernetworks – social relations in cyberspace – and their significance for reevaluating the premature proclamation that social capital may be declining or dying, again highlighting how actions and choices in relations and networks retain and even gain vitality and power in a globalized and technologically advanced society.

Given the limited space of this monograph, certain choices had to be made regarding the coverage. I have decided to focus on the instrumental aspect of social capital and thus shortchange the expressive aspect of social capital, not that my own research efforts have ignored the latter (Lin 1979; Lin, Dean, and Ensel 1986; Lin and Ensel 1989; Lin and Lai 1995; Lin and Peek 1999; Lin, Ye, and Ensel 2000). The significance of expressive action in a theory of social capital is made clear in the discussion of the formulation of the theory in Chapters 4 and 5. I also mention how expressive action operates in several extensions of the theory (Chapters 8 to 11). However, to fully cover the expressive aspect of social capital would require perhaps another monograph of comparable size. Instead, I chose to focus on social capital for instrumental action in order to parallel discussions of two other similar topics: human capital and cultural capital. In human capital, as espoused by economists, the focus is on the returns in the labor market, especially economic returns. In cultural capital, à la Bourdieu, the concern is with the reproduction of the dominant class. In both cases, the instrumental use of capital is salient. Only in the Epilogue do I reintegrate expressive

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action, somewhat abbreviated still, in a full model of analysis for social capital.

I have also abbreviated the coverage of social capital as a collective asset, as my evaluation has convinced me that its theoretical and research viability can be extended from the formulations as outlined in this monograph, rather than being treated as a separate and independent entity (see Chapters 2, 8, and 12).

The work represented in this monograph can be traced back to the late 1960s and early 1970s, when I began research on social networks in the United States, Central America, and Haiti. And I have continued to benefit from such comparative research experiences, which are now extended to East Asia as well. Along the way, I have benefited a great deal from many collaborators, including Ron Burt, John Vaughn, Clifford Melick, Walter Ensel, Ron Simeone, Mark Tausig, Mary Dumin, Mary Woelfel, Gina Lai, Yanjie Bian, Kristen Peek, Yushu Chen, Chih-jou Chen, Ray-May Hsung, Yang-Chih Fu, Xiaolan Ye, and Marc Magee. My intellectual network has extended to and included, among many others, Mark Granovetter, James Coleman, Henk Flap, Bonnie Erickson, Ron Breiger, Judith Blau, Robert Merton, Peter Marsden, Peter Blau, Jeanne Hurlbert, Harrison White, Barry Wellman, Edward Tiryakian, John Wilson, and Lulin Cheng. I have also benefited from interactions and friendships with colleagues at the Department of Sociology, SUNY-Albany, and the Department of Sociology, Duke University. They have been my vital social capital.

My research work, extending to several continents and stretching over three decades, has received important support from the National Science Foundation (the Sociology program and the International Program), the National Institute of Mental Health, the U.S. Department of Labor, the New York Department of Health, the Luce Foundation, the Chiang Ching-Kuo Foundation, the American Council of Learned Societies, the Research Foundation of SUNY, and the Research Council of Duke University. Without their funding, it would not have been possible to conceive and examine many aspects of the theory presented in this monograph.

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gence of Social Structure,” in *Advances in Group Processes*, Volume 11, edited by Barry Markovsky, Jodi O’Brien, and Karen Heimer (Chapter 8).

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