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0521812917 - The Role of Social Capital in Development: An Empirical Assessment

Edited by Christiaan Grootaert and Thierry van Bastelaer

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The Role of Social Capital in Development An Empirical Assessment

In recent years the role of social capital – defined as the institutions and networks of relationships between people, and the associated norms and values – has risen to considerable prominence in programs of poverty alleviation and development. Although development practitioners have long suspected that social capital affects the efficiency and quality of most development processes, this book is the first to provide the rigorous empirical results needed to confirm that impression and translate it into effective and informed policymaking. Based on a large volume of newly collected data, the book relies equally on quantitative and qualitative research methodologies to establish new approaches for measuring social capital and its impact. The book documents the pervasive role of social capital in accelerating poverty alleviation and rural development, facilitating the provision of goods and services, and easing political transition and recovery from civil conflicts.

Christiaan Grootaert is Lead Economist in the Social Development Department at the World Bank, and Manager of the Social Capital Initiative. His research centers on the measurement and analysis of poverty, risk, and vulnerability; education and labor markets; child labor; and the role of institutions and social capital in development in Africa, Asia, the Middle East, and Eastern Europe. Recent publications include *The Policy Analysis of Child Labor: A Comparative Study* (with H. Patrinos). He is co-author of the *World Development Report 2000–2001: Attacking Poverty*, and has contributed articles to various journals, including the *Journal of Development Economics*, *Journal of Development Studies*, *World Development*, and *Journal of African Economies*.

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With a foreword by

Robert D. Putnam



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Foreword

During 1993 several workshops on social capital and economic development were held in Cambridge, Massachusetts, at the American Academy of Art and Sciences with support from the Rockefeller and Carnegie Foundations and at Harvard's Center for International Affairs with support from the World Bank. Many of the definitional and conceptual issues that have subsequently preoccupied this rapidly growing field of study were at the center of the agenda of those initial conferences:

- What does “social capital” mean, and is the analogy to other forms of capital useful?
- How can we distinguish between the “good” and “bad” effects of social capital?
- Through what mechanisms might social capital affect development?
- How might social capital be influenced by, or interact with, public policy?

The pioneering workshops revealed little consensus on any of these issues. In the ensuing decade “social capital” has become one of the hottest concepts in social science globally. Although conceptual battles continue, much progress has been made. Some of the progress has reflected theoretical refinements. For example, experts in the field are now converging toward a “lean and mean” definition of *social capital*, focused on social networks and the associated norms of reciprocity and trust. All sides now understand that (like other forms of capital) social capital can be put to both good and bad purposes.

However, as this volume itself illustrates, most of the progress in this rapidly advancing field has come from a very far-reaching expansion – virtually an explosion – in the range of systematic empirical evidence about the forms, causes, and consequences of social capital.

We have developed much more comprehensive inventories of measures of social capital. We recognize that formal voluntary associations (emphasized out of practical methodological necessity in some early work on social capital) are merely one sub-species in a much more diverse universe of forms of social capital.

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We have much richer, fuller, and more systematic evidence of the consequences of social capital. While early work had focused primarily on government performance, macroeconomic rates of growth, and (in closely related work) school performance and job placement, we now are beginning to see how social capital can influence everything from infant mortality rates to solid waste management to communal violence.

Finally, we have developed a much more capacious sense of the factors that influence stocks of social capital. While some early work was understood to imply that stocks of social capital were immutable except on a time-scale of centuries, we now are beginning to explore ways in which individual behavior and collective choice can have important effects on social capital over even relatively short periods.

All these advances in our knowledge are well exemplified in this important new volume. The volume itself marks a substantial expansion in the evidentiary basis for continuing conceptual refinement. The richness and diversity of the empirical case studies reported here are unmatched in the existing literature on social capital, making the volume an important addition to our stock of intellectual capital.

April 13, 2001

ROBERT D. PUTNAM