GENERATING SOCIAL CAPITAL?
THE SOCIAL ECONOMY AND LOCAL ECONOMIC DEVELOPMENT

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Abstract

In seeking to understand and promote long-term and inclusive models of local economic development the notion of social capital appears potentially important. In the development of the social economy, an aspect of the local economy which has attracted an increased theoretical and policy focus in recent years, the relationship with social capital appears particularly significant. Yet despite the apparent salience of notions of social capital, there remains a lack of understanding of the nature and extent of existing social capital resources and the precise manner in which these are drawn upon in the development of the social economy to generate further social capital within the local development process. In part this is a result of the conceptual confusion surrounding the notion of social capital, but it also reflects a lack of empirical research.

Introduction

The astonishing rise to prominence of the notion of social capital over the last 15 years has placed it at the centre of conceptual and policy debates across the social sciences and especially in areas relating to political participation, social exclusion and economic development. In the arena of local and regional development, social capital (conceived of as features of social organization such as networks and norms which facilitate mutually beneficial coordinated action) is central to ongoing debates concerning the socio-cultural component of the local economic development process. With respect to the social economy in particular, an aspect of the local economy which has attracted an increased theoretical and policy focus in recent years (e.g. OECD, 1999; Borzaga and Defourney, 2001; Amin, et al., 2002; Borzaga and Santuari, 2003), there appears to be a close relationship between promoting and strengthening social capital and the development of a dynamic social economy within a given locality.

This article explores the notion of social capital and the manner in which it is produced, reproduced and used locally within the social economy as part of the local economic development process. Findings are presented from a transnational European research project which examined the development of social enterprises and the social economy within different localities in order to seek to better understand their interrelationships with the local production and use of social capital. These findings emphasize the importance of contextualization in the study of local social capital and the importance of interpretative approaches for area-based policy development.

KEY WORDS ★ local development ★ social capital ★ social economy ★ social enterprise
understood. In part this is a result of the conceptual confusion surrounding the notion of social capital itself, which has led some to question its usefulness (e.g. Foley and Edwards, 1999; Fine, 2001). However, it is also the result of the lack of empirical research, especially of a more contextual and interpretative nature, seeking to interrogate these relationships (Johnston and Percie-Smith, 2003).

This article seeks to explore the notion of social capital and the manner in which it is produced, reproduced and used within the social economy as part of the local economic development process. First, this article examines the often problematic notion of social capital and considers key debates with respect to the use of this concept in regard to local economic development. This discussion provides the basis for a more detailed analysis of the particular relationship between the social economy and social capital in local economic development. The article then presents results from a transnational European research project which examined the development of social enterprises and the social economy within different localities in order to seek to better understand their interrelationships with social capital. The article concludes by emphasizing the importance of contextualization in the study of local social capital and the utility of interpretative approaches for area-based policy development.

Social capital and local economic development

The apparent success of certain localities and regions in competing within an increasingly competitive global economy has resulted in renewed debate about the relationship between local/regional spaces and processes of economic development. Attempts to explain the basis and evolution of successful highly specialized local and regional economies have illustrated that a focus merely on traditional explanations based upon the importance of external economies (e.g. reduced transaction costs and specialization, labour market pooling, availability of specialist suppliers and infrastructures, technological knowledge spillovers etc.) fail to capture the more intangible economies commonly referred to as ‘untraded interdependencies’ or ‘relational assets’ (Storper, 1995; 1997). Such notions emphasize the importance of a range of socio-cultural factors – such as conventions and trust, shared values and norms, face-to-face contact, and innovation and learning – within which economic activity is embedded and which provide the vital frameworks for economic action. Within a globalizing, post-Fordist world, where many factors of production are increasingly mobile, it is argued that it is these territorially rooted immobile relational assets that underwrite the existence of networks, collaborative relations and institutional capacities which are of increasing importance in providing competitive advantage (Amin and Thrift, 1994; Storper, 1995; Hudson, 1998; Cooke and Morgan, 1998; Bagnasco, 1999).

In this emphasis upon tangible and intangible external economies and networks of local relations which bind together both individual and collective actors, there is a direct intersection with the broader notion of social capital. For many economic development theorists, the attraction of the notion of social capital is that it rescues the often marginalized social dimension of the economic development process. As Fevre (2000) notes:

One of the consequences of socializing social capital is that networks, norms and identities are rescued from relegation. There is a welcome irony in the fact that when this is done we seem to learn more about economic development than we do when working with the reductionist conceptions of economics. It seems that by refusing to succumb to the logic of economic rationality we might begin to understand more about the way in which development occurs. (Fevre, 2000: 109)

Furthermore, the policy agenda for local economic development suggested by such analysis – one supportive of a bottom-up, locally specific, long-term and pluralistic approach to local economic development – draws upon various principles of economic governance (e.g. networks of association, plurality of decentralized and autonomous organizations, active citizen participation) which also require both the presence and strengthening of local social capital (Amin and Thrift, 1995).

Yet any attempt to deploy the notion of social capital to help understand the nature of the local development process is hampered by the lack of
clarity over the concept itself (Trigilia, 2001). Debates on the notion of social capital have been well rehearsed in social scientific circles in recent years (Woolcock, 1998; Baron et al., 2000; Dasgupta and Serageldin, 2000; Fine, 2001; ONS, 2001b; Halpern, 2005). Much of this debate has been fundamentally and justifiably critical of the way in which the notion is used and the purpose it serves. DeFillipis (2001) is particularly critical of the manner in which Putnam and his followers have conflated the concept with a neo-Tocquevillean view of civil society in which only the positive aspects of social capital for promoting democracy and sustaining economic development are in focus. In addition, he goes on to point out that the uncoupling of social capital from any mainstream notion of capital, the absence of any recognition of power relations in social capital networks and the assumption that the interests of the individual are synonymous with those of the group amount to a strong indictment of Putnam’s approach. In spite of this, a case is made not for the abandonment of a concept of social capital, but for one which is based upon and recognizes how power relations and access to other forms of capital impacts upon networks and ties. In later work, DeFillipis (2002) focuses again upon Putnam’s work and particularly its methodological individualism inherent in how individual level data is merely aggregated to whatever geographical scale is under examination. Such a focus is the starting point of Fine’s elaborate critique (Fine and Green, 2000; Fine, 2001) in which such methodological individualism is taken as indicative of a neo-liberal effort to reduce the social to the individual and further the efforts of a neo-liberal and rational-choice obsessed discipline of economics to ‘colonize’ social science. There is a dividing line, however, between those like Fine who would consign any notion of social capital to the dustbin of history and those who remain sceptical, but see an important role for social capital as a ‘bulwark’ against colonization by a neo-liberal economics and the irresistible logic of the globalizers (see Fevre, 2000). Indeed even among those for whom social capital plays an ‘accommodationist – indeed ideological – role vis-à-vis the neo-liberal project in both the North and South’ (Mayer and Rankin, 2002) there is a potential role for social capital theory in accounting for state and market power in a context of collective social action which is often contradictory in serving at one and the same time to accommodate and oppose the hegemonic project of neo-liberalism.

Among those who see a role for social capital, Schuller et al. (2000), in their review of the concept, identify three central criticisms: that it is too diverse in definition, leading to it being unintelligible; that it is being applied to the examination of so many social issues as not to be taken seriously; and that it presents real problems of measurement due to being definitionally diverse and reliant on proxy indicators making it prone to validation problems.

With respect to the first of these criticisms, two broad themes can be identified in terms of the diversity of definition of social capital; what Uphoff (2000) refers to as an objective/subjective divide in approaching the concept. On the one hand there is a structural version of the concept emphasizing networks, organizations and linkages through which information and norms are conveyed. This perspective is influenced by the work of Coleman (1988; 1990) and is clearly more sociological. On the other hand, there is a cognitive version of the concept which focuses on shared norms, values, trust, attitudes and beliefs. This perspective is mainly represented by the work of Putnam (1993) and is more of a political science approach.

When attempting to deploy social capital in relation to processes of economic development, both these structural and cognitive versions require clarification with respect to two key issues (Woolcock, 1998; 2001a). First, whether social capital can be conceived as a form of capital comparable to other forms of capital within the economic development process. Second, to what extent we can usefully identify different forms of social capital which contribute to the economic development process in different ways.

Social capital as ‘capital’

Debates about the economic performance of companies, sectors and places have, since the classical economists, centred upon the three factors

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of land, labour and financial capital as drivers of economic growth. Since the 1960s, the idea of human capital was added to the mix, with recognition that educated, trained and healthy workers are important to how well the other, more orthodox, forms of capital are employed (Becker, 1964). But social capital takes the arguments regarding human capital one step further; ‘whereas human capital resides in individuals, social capital resides in relationships’ (Woolcock, 2001a: 12). Indeed, both human and social capital are most regularly treated by conventional economists as types of ‘externality’.

While there is considerable dissent over the view that there are different types of capital, beyond the inanimate and material (see Fine, 2001), the view that human, cultural and social capital are forms of capital which share the characteristics of being productive resources has much support. The work of Bourdieu (1986; Bourdieu and Wacquant, 1992) is influential here not only because he is concerned with distinctions in the forms of capital (economic, cultural and social), but also the extent to which they are convertible one to the other – the idea of ‘fungibility’. This raises a range of interesting issues pertinent to economic development, since it is often implied that while poor ‘communities’ (whether interest or locality-based) are likely to have a scarcity of financial, physical and often human capital, they may have considerable social capital. As Woolcock (2001a: 15) points out, ‘the social capital of the poor is the one asset that they can potentially draw upon to help negotiate their way through an unpredictable and unforgiving world’. However, it is also the case that ‘there is considerable stocks of social capital in ghetto areas, but the assets obtainable through it seldom allows participants to rise above their poverty’ (Portes and Landolt, 1996). Thus while social capital can be used to ‘lever’ or acquire other forms of capital, its potential impact is circumscribed by the availability of these other capital forms. Furthermore, an interesting and distinctive feature of social capital is that, unlike other forms of capital, the more it is used the more it grows, thus using it to lever in other forms necessitates a growth in the stock of social capital and its ‘appropriability’. This, we argue, is an important feature for local economic development.

**Types of social capital in action**

Although social capital may be differentiated from, but related to, other forms of capital, it is not itself a uniform type of capital. In response to past attempts to contrive a single, catch-all definition, Woolcock argues that there may be ‘different types, levels, or dimensions of social capital’ (1998: 159). Woolcock draws upon Granovetter’s use of the notion of ‘embeddedness’ of economic actions in types of social relations (Granovetter, 1985) and contrasts this to circumstances in which economic actions may be (or may become) increasingly situated in social ties that are ‘autonomous’. At the local or micro-level, autonomy refers to the extent to which community members have social relations with non-community members (i.e. extra-community ties). At the macro-level, autonomy refers to the extent to which agents (e.g. industry managers or policymakers) are governed by a call to more abstract (perhaps ‘professional’ ethics) and rational, as opposed to social, ties (i.e. credibility).

At the micro-level, which Woolcock equates with ‘bottom-up’ forms of development, embeddedness thus involves ‘intra-community’ ties and is referred to by Woolcock as ‘integration’. Autonomy at the micro-level involves ‘extra-community’ ties and is referred to as ‘linkage’. A balance of both integration and linkage is conceived to be important for local (micro-level) development to proceed. Too much ‘integration’ generates inward-regarding development (sometimes referred to as ‘amoral familism’ or ‘downside’ social capital) and too much ‘linkage’ leads to anomie as cognitive dissonance sets in for community members who find freedom and opportunity to participate in a wide range of extra-community activities, but have no integrative community basis to provide guidance, support and identity.

What Woolcock refers to as ‘integration’ and ‘linkage’ is parallel to what is commonly referred to in the literature as ‘bonding’ social capital and ‘bridging’ social capital (Gittell and Vidal, 1998; Putnam, 2000; ONS, 2001a; Woolcock, 2001a). Whereas the former provides a kind of social ‘glue’, important for sources of support in ‘getting by’, the latter provides a kind of social ‘lubricant’, important for sources of leverage in ‘getting ahead’ for both individuals and communities. This distinction of
bonding and bridging social capital is clearly important for the whole context of local development. However, both imply horizontal social ties, or relationships between equals, and such a view obviously misses out on the important aspect of the exercise of power. The idea of ‘linking’ social capital has, in part, been developed to address these concerns. Linking social capital is a more complex notion but relates closely to bridging social capital. It refers to relations between individuals and groups in different social strata in a hierarchy where power, social status and wealth are accessed by different groups (Cote and Healy, 2001). It is therefore a vertical dimension of social capital, which may permit the less powerful to lever resources, ideas and information from more formal institutions beyond their ‘community’ (see Woolcock, 2001a).

Much is made in the literature of these distinctions between bonding, bridging and linking social capital and their specific network forms. Appropriable social capital is accumulated over time only as a resource for a specified group sharing a network. Of course, further benefits may accrue to other groups and the wider society as a (primarily unintended) consequence of the deployment of social capital by members of one particular network (i.e. the free-rider issue); however, this should not be mistaken for actual access to the social capital which produced the benefit. In this respect it is important not to underestimate the degree to which the forms of local social capital can be of the ‘downside’ variety, which excludes new entrants, limits extra-community linkages, and may lead to collusion, patronage, corruption or even a criminal economy (Trigilia, 2001). As networks, a defining feature of social capital, are always to some extent exclusive, a key issue is therefore the ability to access one or more networks producing different social capitals. Furthermore, it is not just a matter of the existence of networks of social relations tied to family, kinship, ethnic or religious communities, but, as Trigilia (2001: 435) observes, ‘whether politics has favoured their transformation into positive resources for local development’.

The most important economic characteristic of networks for the generation of social capital is the reduction of transaction costs (Collier, 1998; Szreter, 1999). When network exchanges take place between individuals and organizations in circumstances characterized by trust and reciprocity, such exchanges are completed at less cost to the parties involved in terms of both ensuring maximum benefit and in the reduced time taken to conclude the transaction. A second and more social characteristic of such networks is that once social capital is generated through regular exchanges within such networks, it becomes appropriable, or re-usable, by those parties with access to such networks, as argued by Coleman (1990). Economic development is therefore expedited by the presence of networks exhibiting such characteristics of social capital as trust and reciprocity. However, as argued most persuasively by Woolcock, ‘for development to proceed … the initial benefits of intensive intra-community integration, such as they are, must give way over time to extensive extra-community linkages: too much or too little of either dimension at any given moment undermines economic advancement’ (1998: 175). The exact blend of bonding and bridging social capital would vary within different local economic development dynamics according to situation, context and time, and would thus produce different development outcomes, but both types of social capital would need to be present for development to be sustainable.

Contextualizing social capital

Although a clear case for the importance of social capital within processes of local economic development can be made, this is no guarantee that it will have a positive influence. The possible presence of ‘downside’ social capital, the relationship to other types of capital and the developmental context (e.g. state role) may conspire to suppress any such positive outcomes.

Given that social capital is not a sufficient condition for local development (Trigilia, 2001), to understand different development outcomes requires sensitivity to the exact blend of bonding and bridging social capital and how this will vary according to situation, context and time (Woolcock, 2001b). In particular, the need to reassert the importance of context to understanding the nature and impact of social capital has been noted by a
number of authors (Foley and Edwards, 1999; Grootaert and Van Bastelaer, 2001; Woolcock, 2001a; Stolle and Lewis, 2002); a view that emphasizes the importance of local development processes rather than the dominant macro level application of the concept evident in the economic development literature. Perhaps the most important argument for a contextual approach is set out by Piselli who, drawing upon Coleman’s work, asserts the situational character of the concept:

Social capital is not an object. It is not an ‘entity’ that can be identified, isolated, circumscribed by a formula, or given precise definition … It is an array of potential resources which exist – become social capital – only when they are activated for instrumental purposes. (Piselli, 2000: 3)

The issue of context emphasizes the need to situate research and development activities rather than to try and proceed on an abstract basis, using a universalized and unitary definition and operationalization of the concept.

The social economy and the development of social capital

The intersection of local economic development and social capital appears particularly pertinent when considering the social economy, not only because of the relative scarcity of other forms of capital for the development of this sector, but also because the social objectives of this sector appear well suited to the development of the norms and networks which facilitate collective action and provide a basis for effective local development (Evers, 2001). Thus while to date the principal focus concerning the role of the social economy has been its ability to generate jobs and provide important goods and services, it is increasingly the case that many of the claims for the social economy are now also based on its ability to build capacity and social capital as a means to tackle issues of empowerment, democratic participation and social exclusion.

There is strong evidence that the social economy is an important and growing contributor to the overall economy of Europe (ECOTEC, 2000; Borzaga and Santuari, 2003). A Eurostat study of the social economy of the 12 members states of the EU in 1990 estimated employment of 5.3m people (Eurostat, 1997). An EC report of 1995 estimated the social economy in the EU as employing 6.4m (EC, 1995). Using the accepted division of jobs in the social economy as divided between cooperatives, mutuals, associations and foundations, a synthesis report on the EC pilot action Third System and Employment estimated that there were 8.8m full-time equivalent jobs, accounting for 7.9 percent of paid civilian employment (EC, 2002). As a result of such growth, in many European countries and regions the profile of the social economy in economic and social policy has increased, and in particular the EQUAL programme of ESF funding for 2000–06 includes ‘strengthening the social economy’ as a major informing objective.

However, with regard to how the development of the social economy builds upon and generates social capital within the local development process, there is much less by way of an evidence base, despite a growing number of policy initiatives which seek to promote this relationship (EC, 1998; 1999; Campbell, 1999; Cabinet Office, 2002; DTI, 2002). Such initiatives are informed by a number of arguments which highlight the importance of the relationship between social enterprises and the wider social economy and the development of social capital.

First, social enterprises are seen as effective builders of social capital. Evers and Schulze-Boeing (2001) argue that social enterprises develop social capital as they create and make use of the commitment and trust of volunteers and partners, build up services which depend on close relationships in a local cultural context, are locally credible in the role of re-integrating a clientele (trainees, customers or employees), and are effective at meeting combined goals (e.g. local development and labour market integration). It is also apparent that social enterprises based around networks of interest, rather than geography per se, also provide strong extra-community linkages that are important for building bridging social capital. Social economy initiatives (such as Time Banks, Credit Unions and Local Exchange Trading Schemes [LETS]), which maximize the potential for membership and network building, not only generate social capital but also enhance the community economy at the same time (ONS, 2001b; Seyfang, 2001; Williams et al., 2001; Lee et al., 2004). Social economy activities of this...
type which depend on ‘mass’ membership embody a high degree of existing social capital and demonstrate how social relationships are used as an alternative source of collateral to traditional forms of physical, financial and human capital (Woolcock, 2001b). They also illustrate how local social capital is ‘converted’ into these other forms of capital through processes of leverage which result from generating bridging social capital.

Second, the social economy is seen as important in promoting opportunities for, and actual activity of, voluntary groups and volunteering (both formal and informal) in the local area. Many commentators have drawn attention to how self-help mutual aid groups actively build local social capital (Wuthnow, 1994; Banks, 1997; Knight et al., 1998; Hall, 1999). In this respect, the more localized, informal and with potential to maximize diverse and regular contacts of sociability, the better.

Third, developing the social economy in deprived localities contributes to building communal infrastructure as much, if not more, than directly assisting the individuals and families who live there. This is important for two reasons. First, if levels of communal infrastructure and social capital are low, this encourages the most mobile element of the local population to leave to the further detriment of the locality. Second, it prioritizes the need to ensure investments are made within locally rooted assets and not merely within individuals and families who, once they have augmented their own human capital, may have both the means and desire to move out (Kretzman and McKnight, 1993; Flora, 1998; Friedman, 2001).

Fourth, while communal infrastructures are important, the role of community leadership and entrepreneurship in both directing and building social capital is also significant. Although social capital is commonly regarded as constituting a communal rather than an individual resource, recognition that networks are by definition based upon ‘membership’ and that access to networks rich in social capital confers benefits to individuals also (Bourdieu, 1986) ensures that the role of the ‘social entrepreneur’ as ‘leader’ and mobilizer of social capital resources (Leadbetter, 1997) is important to the proper functioning of extra-community ties (bridging social capital) and those which some characterize as linking social capital (vertical ties). As Purdue (2001) claims, an effective social entrepreneur balances the different roles of social capital in terms of bonding and bridging in the pursuit of local development.

Finally, the emphasis upon cooperation, self-organization and norms of reciprocity in the social economy is important to building up the cultures of association required for the effective functioning of network forms of local development. Recognition of social capital as a determinant of the local economic development process challenges those engaged in promoting local development to confront directly how to promote social capital formation and the building of community (Wilson, 1997). Attempts to monitor and evaluate progress towards the explicit objectives of the development of the social economy and local social capital (i.e. via social audits, environmental audits, local social capital stock taking etc.) develops collective awareness of collective goals related to economic actions and contributes to raising awareness of how social capital is both an input to and output of a sustainable development process (Grootaert, 1997). The very act of involving people in developing, monitoring and evaluating, in itself also builds social capital.

However, in practice, evidence to support many of the above arguments remains limited. Research carried out by Amin et al. (2002: 120) in four UK cities concluded that: ‘we have seen very few examples of social enterprise rooted in so-called local society defined as community or local social capital’. However, their research did identify six ways in which local context played an important part in the formation of a social economy within the four cities: (a) through ‘voiced’ and various minority cultures; (b) through having an ‘associational presence’ (i.e. a strong voluntary sector); (c) through having a local state which operates in ways sympathetic to the social economy; (d) through the presence of what is termed ‘agonistic’ political spheres (Mouffe, 2000) in which difference is accepted and agreements are reached through discursive opposition; (e) through the presence of strong and diverse networks and linkages; (f) through local socio-economic deprivation being not so harsh as to stifle any potential for the emergence of a social economy. Such findings highlight the rooted development of the social economy within specific local contexts and the complexities of understanding the relationships between social economy and social capital within them.
Local social capital, the social economy and local development: results from a European study

The need to understand more precisely the relationship between social capital resources, the development of the social economy and processes of local economic development provided the rationale for a transnational European research study, the results of which are considered here.\(^1\) This project aimed to produce an assessment of the role of social capital in the social economy as part of the local development process. Specifically, it attempted to identify the range of ways in which different social enterprises within the social economy across different European countries produced and reproduced social capital, and to identify the ways and extent to which existing social capital resources within particular localities influenced the development of the social economy and the local development process.

While defining the social economy can be controversial, this study was informed by an understanding of the local social economy as more than an economic sector composed of the sum of its social enterprise parts, but rather as activity characterized by a specific set of values in the types of relationships it nurtures. Thus the social economy was defined as the sector of economic activity made up of social enterprises (local and other) organized around shared values concerned with the satisfaction of needs and not for profit principles. It is distinguished by cooperation and self-organization, distinctive types of inter-organizational relationships, and the pursuit of a new mode of production and a mode of economic integration which is characterized by norms of reciprocity, which make it both a formalized subsector of the broader third sector and distinct from the public and private sector (CONSCISE, 2003).

In terms of developing a working definition of social capital, the starting point was a general description of social capital as referring to ‘the norms and networks that facilitate collective action’ (Woolcock, 2001a: 13). The adopted working definition was eclectic due to the need to explore the notion within the context of the social economy and local development. It identified social capital as resources within communities which are created through the presence of high levels of trust, reciprocity and mutuality, shared norms of behaviour, shared commitment and belonging, formal and informal social networks, and effective information channels, which may be used productively by individuals and groups to facilitate actions to benefit individuals, groups and community more generally.

Project methodology

To examine these relationships the research project carried out fieldwork in a number of urban and rural localities across five European countries (see Table 1). Two main methods were utilized in the fieldwork: local socio-economic profiling and social accounting (CONSCISE 2001a; 2001b). Local socio-economic profiles were developed for each locality using mixed methods (surveys and desk research) within a context of a soundings group comprising selected participants who acted as fieldwork gatekeepers, discussants, informants and advisers, regarding research direction. These local socio-economic profiles provided the context for an informed understanding of the relationship between social economy and social capital in each location. This approach enabled an action orientation to the research, through the involvement of the research subjects, and some flexibility in adaptation to local circumstances. Primary data gathering via a small-scale social survey of local residents was combined with proxy indicators from secondary data collection to provide a range of comparable indicators which gave a broad overview of existing levels of social capital (Halpern, 1999). While these indicators helped to contextualize the study, they were of limited use in exploring the research hypotheses, not least because they conveyed little about the dynamics of how social enterprises both use and build social capital.

In contrast, the social accounting and social audit processes, which were undertaken with the cooperation of one participating social enterprise in each locality, provided much greater insight into the processes of interaction between the social economy and local social capital through in-depth observation of the selected social enterprises over a period of a year. Based upon an established framework for social accounting, two further objectives relating to social
<table>
<thead>
<tr>
<th>Research location</th>
<th>Population size</th>
<th>Unemployment rate (%)</th>
<th>Ethnic composition (%)</th>
<th>Social enterprise in social audit fieldwork</th>
<th>Number of social enterprises</th>
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<td>Redundant mining industry with predominance of retail and service industries mainly outside the immediate area</td>
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<td>‘Alternative’ economic activities and related enterprises</td>
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<td>28</td>
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<td>Mining, forestry, farming, wood processing and engineering</td>
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<td>Food, textile, furniture and publishing sectors. Bars, restaurants, hotels</td>
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<td>Nästansjö, County of Västerbotten, Sweden</td>
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<tr>
<td>-------------------</td>
<td>------------------------</td>
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<td>-----------------------------------</td>
<td>--------------------------------------</td>
<td>--------------------------------------</td>
</tr>
<tr>
<td>Most recent national electoral turnout (%)</td>
<td>54</td>
<td>70</td>
<td>79</td>
<td>56</td>
<td>81</td>
</tr>
<tr>
<td>Most recent local electoral turnout (%)</td>
<td>33</td>
<td>50</td>
<td>58</td>
<td>57</td>
<td>80</td>
</tr>
<tr>
<td>No. of voluntary organizations</td>
<td>692</td>
<td>50</td>
<td>35</td>
<td>50</td>
<td>691</td>
</tr>
<tr>
<td>Size of the area (hectares)</td>
<td>3,965 (Waltham Forest)</td>
<td>2,033</td>
<td>46</td>
<td>52.7</td>
<td>9,000</td>
</tr>
<tr>
<td>Population density (per hectare)</td>
<td>56 (Waltham Forest)</td>
<td>6.6</td>
<td>270.6</td>
<td>244.6</td>
<td>7.7</td>
</tr>
<tr>
<td>Rural/urban</td>
<td>Urban</td>
<td>Rural/mining</td>
<td>Urban</td>
<td>Urban</td>
<td>Urban</td>
</tr>
</tbody>
</table>
capital were incorporated into the social accounting framework. These objectives sought to audit how the social enterprise both used and built social capital. The social accounting process was able to secure the active engagement of stakeholders in the fieldwork locations and the most useful data and indicators were qualitative and arose from interviews with selected stakeholders. A major advantage of the social accounting fieldwork was that active engagement of stakeholders in discussion of the various elements of social capital generated an understanding and heightened awareness of the concept. A ‘grounded’ understanding of the notion of social capital began to emerge which informed the research findings.

The examination of the interrelationships between social capital, social enterprise and social economy was based on a series of interrelated hypotheses. First, that local social capital generated by local networks leads to the emergence and growth of local social enterprises. Second, that local social enterprises generate further social capital, which is then available for further development. Third, that via cooperation and mutual support, local social enterprises generate a form of social capital characterized by the development of a local social economy.

**Local social capital and the development of social enterprises**

The investigation as to whether local social capital generated by local community networks leads to the emergence and growth of local social enterprises was methodologically the most problematic element of the study as it required understanding of pre-existing local social capital resources. The single index scores on local social capital derived from the survey produced a ranking of the eight localities, which was comparable to the rank achieved using other commonly used proxy indicators, particularly the index of associational density (see Table 2). While recognizing the limitations of these indicators, not least that they measure predominantly the appearance of local bonding social capital, they perform a role in enabling a rapid appraisal of the local context.

Whether localities with a higher index of local social capital were characterized by the emergence of local social enterprises is disputable. It is certain that the two localities with the highest local social capital index score (Nästansjö and la Vall d’en Bas) had social enterprises (one and two respectively) which were highly regarded and firmly rooted in the locality and emerged to serve local needs. While there was no indication of new social enterprises emerging in these localities, the size and relative importance of the two main social enterprises in each locality (Koopra and Cooperativa La Vall d’en Bas) give credence to the idea that in these cases high levels of local social capital had generated the local social economy. This suggests that the impact of local social capital on social enterprise and social economy may not be a quantitative one (in terms of numbers in, or size of, the sector) but qualitative, in terms of how such resources and their relative importance, strength and sustainability, are mobilized and used.

<table>
<thead>
<tr>
<th>Location</th>
<th>LSC index score (1–5)</th>
<th>Ratio of voluntary organizations per head of population</th>
<th>Turnout at last local election (%)</th>
<th>Turnout at last national election (%)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Nästansjö, Sweden</td>
<td>1.88</td>
<td>1.74</td>
<td>79</td>
<td>79</td>
</tr>
<tr>
<td>Val d’en Bas, Spain</td>
<td>2.18</td>
<td>1.96</td>
<td>76</td>
<td>69</td>
</tr>
<tr>
<td>Benarty, Scotland</td>
<td>2.33</td>
<td>1.223</td>
<td>50</td>
<td>70</td>
</tr>
<tr>
<td>Umeå, Sweden</td>
<td>2.36</td>
<td>1.101</td>
<td>80</td>
<td>81</td>
</tr>
<tr>
<td>Kreuzberg, Germany</td>
<td>2.68</td>
<td>1.249</td>
<td>58</td>
<td>79</td>
</tr>
<tr>
<td>Waltham Forest, England</td>
<td>2.75</td>
<td>1.320</td>
<td>33</td>
<td>54</td>
</tr>
<tr>
<td>Wedding, Germany</td>
<td>2.85</td>
<td>1.300</td>
<td>57</td>
<td>56</td>
</tr>
<tr>
<td>La Mina, Spain</td>
<td>3.03</td>
<td>1.817</td>
<td>57</td>
<td>60</td>
</tr>
</tbody>
</table>

Notes: pos = Position when ranked by magnitude. LSC Index Score: 1= High level of local social capital.
The remaining six localities had lower local social capital index scores but still displayed evidence of connections to social enterprises. In these cases the social enterprises were often not intrinsically local, nor did they draw specifically on local social capital. The environmental sector in Waltham Forest and state-sponsored projects in La Mina relied on significant external inputs, and in both Wrangel Kiez and Soldiner Kiez many of the social enterprises had clear links to local authority or Berlin-wide ‘alternative’ movements, with the Church also involved. The social enterprises in Umeå, as with much of urban Sweden, were linked historically to the people’s movement, but also to other nationally networked projects such as KFUM Norrbysskar (the Swedish YMCA – again a Church connection).

While distinguishing different types of social capital (i.e. bonding, bridging and linking) provides further problems of measurement and the identification of suitable indices, such differentiation enables a more sophisticated analysis of how social capital might generate local social enterprises.

Furthermore, much of the discussion on social capital, despite closeness to notions of community, is aspatial and local/global distinctions which cut across the ‘types’ of social capital outlined must be recognized. For instance, there is little indication that an expressly ‘local’ bonding type of social capital generated the environmental social enterprises in Waltham Forest. There is, however, clear evidence that it grew and benefited from bridging social capital in the environmental movement both within and beyond the borough boundaries, and arguably also from links to the local government via Local Agenda 21 policies in particular. Similarly, in both Wrangel Kiez and Soldiner Kiez, squatting and alternative movements and the Church were influential in foraging networks of bridging social capital both with and for the poorer and more spatially restricted groups in the localities (both Turkish and German). The bridging social capital links provided by the policy networks of state officials (local, national and European) are both evident and important in the development of the local social economy in Waltham Forest, La Mina and Benarty.

The requirement to acknowledge and understand variation in type of social capital and the role it plays in generating a local social economy, which will vary significantly in relation to the differentiated contexts of local development, reinforces the need to provide a contextual understanding of the relationships in question. When analysis moves beyond the level of collecting data to form indicators and into the realm of trying to understand the grounded processes by which networks and norms generate coordinated actions, then social capital becomes an heuristic device (Schuller et al., 2000). Findings here identify two aspects of contextualization as being particularly important: social structure and political structure.

Local social structures

There were clear indications of a significant urban–rural distinction in terms of the nature and extent of local social capital. The most rural locations (Nästansjö and la Vall d’en Bas) scored highest on the index of local social capital, followed by Benarty, the semi-rural group of former mining villages in Fife, with the lowest stocks apparent in the urban areas of Kreuzberg, Waltham Forest, Wedding and La Mina. In the rural localities, the small size and homogeneity of population and tightness of community networks gave rise to a significant presence of predominantly bonding social capital. In contrast, the isolation and internal population homogeneity indicated very limited, if any, bridging social capital links to other communities, which in turn was consistent with the low levels of educational attainment and skills (human capital indicators) in Nästansjö, la Vall d’en Bas and Benarty. Social capital in each place was mainly of the bonding variety which enabled ‘getting by’ (support and solidarity), but little in the way of the opportunities to ‘get on’ enabled by bridging social capital which provides leverage for individuals and groups.

These characteristics were also reflected in the type of social enterprises which have developed in each location. As areas with small populations, Nästansjö and la Vall d’en Bas had only one and two social enterprises respectively, but these had a high level of structural importance to local society and emerged organically to meet local needs and provide support. Conversely, the larger, denser, ethnically and socially diverse localities at the other extreme of the spectrum on the local social capital index (i.e. in Kreuzberg, Waltham Forest, Wedding and La Mina) displayed lower levels of ‘place-based’ bonding social capital. Yet within the different and distinct communities which characterize these areas (e.g.
Ethnic, religious, or interest-based) high levels of bonding social capital were evident, although there was little evidence that any bridging capital existed between such communities.

In the more diverse urban localities, the networks of these different communities were not spatially confined to these places but extended beyond. Thus the kind of social economy was less organically rooted in any 'local' social capital, and instead emerged from more dispersed bonding social capital networks of religion (e.g. Kirchbauhof in Kreuzberg), interest (e.g. the Green movement and Hornbeam Environmental Centre in Waltham Forest), or ethnicity. In addition, bridging social capital links could also be important. Much of the social economy in both Wedding and Kreuzberg was composed of social enterprises which were part of wider networks of social economy extending across Berlin and beyond. Moreover, in line with findings from other studies (Flora, 1998), the results suggest that localities which contain diverse communities have more potential to generate bridging social capital links, opening people up to alternatives within and beyond their locality.

The state and the social economy A second crucial contextual feature informing the process by which local social capital generates local social enterprises is the role played by the public sector. In line with wider trends in Western Europe, the reduction of public welfare systems has often directly stimulated the growth of the social economy (Borzaga and Santucci, 2003; Van Oorschot and Arts, 2005). It is also apparent that the impact of various regeneration schemes (e.g. in Benarty, Fife), Local Agenda 21 (e.g. HEC, Waltham Forest), and Article 6 Local Social Capital (e.g. Berlin and La Mina, Barcelona) has done more than merely provide resources to support the development of the local social economy. Such schemes, which directly involved public-sector officers and politicians making links with new and existing social enterprises, were evident in the majority of the study locations. The extent to which this indicated the presence of linking social capital based upon vertical networks was not borne out by the evidence (see later).

The importance of the character of links between the third system and the public sector in the development of social enterprises (as opposed to the idea that the social economy develops in isolation from or opposition to the public sector) has been noted in other studies (Amin et al., 2002). Despite actions by government officers and politicians who sought to build social capital, the 'downside' of public-sector involvement in supporting and resourcing social enterprise was also apparent in the fieldwork. The kinds of support that local government provided to social enterprises in Waltham Forest, Benarty, and, with the extra help of the European Community, in Berlin and Barcelona, also tended to generate competition for resources between social enterprises. Thus while the support of local government provides individual social enterprise success stories in social capital generation, there is evidence that it can be detrimental to generating links and relationship between different social enterprises which may be competing for scarce resources. This has an impact on the extent to which social enterprises work together and use social capital to generate a social economy, and also the extent to which there are relationships characterized by social capital between differently powered public-sector officials and social enterprise representatives.

The impact of social enterprises on local social capital

The second hypothesis examined was that local social enterprises themselves generate social capital, which is then available for further local development. Evidence here mainly emerged from the social audits of the eight social enterprises, which were extended to include an assessment of social capital. Through the social audit process it became clear that social enterprises could be evidenced using and building social capital, although any distinction between these two phases was difficult to maintain, since to use social capital is essentially also to build it. However, there was also evidence that there was again a distinction between social capital that served to bond stakeholders within the social enterprise and social capital that bridged between different stakeholder communities or connected the social enterprise to other groups.

Furthermore, the research found that social enterprises in the early, more informal, emerging stage are likely to depend more on bonding social
capital, and only in later phases of development to move to generate bridging social capital as connections of trust, mutuality and reciprocity are formed with other social enterprises, groups and public-sector officials. Examination of the historical roots of each of the social enterprises proved important to understanding the role which social capital played in their development over time (see Table 3). In particular their roots are most often in interest communities and social movements. There was also evidence that an over-reliance on bonding social capital, or remaining at the phase of development where this is dominant, can lead to social enterprises being seen as exclusive and only 'for' a distinct group or set of stakeholders. This may also lead social enterprises to take their social capital resources for granted, which may in turn lead to periods of crisis; a process which itself can be important for renewing and bringing to the fore social capital resources, as was evident in the development of both the Kirchbauhof and HEC social enterprises.

Given difficulties among the stakeholders of the social enterprises in understanding the complex concept of social capital, it became important to unpick the definition of social capital informing the research into its six elements (trust; reciprocity and mutuality; social networks; shared values and norms; sense of belonging and commitment; and effective information channels). Through operationalizing the concept of social capital in this way, the connections between the six elements came to be understood differently. The fieldwork broadly revealed that while trust was the most important element for social capital building, and led to reduced transaction costs (frequently through the ready input of voluntary effort, often in crisis situations), it was often values (mainly operationalized in the research as shared norms) that served to initiate the social enterprise (e.g. shared ‘green’ values, concerns about youth unemployment, commitment to a locality) and the process of social capital building. By sharing values and then building and using networks, the qualities of trust, reciprocity and mutuality are nurtured. Through familiarity within such networks, appropriable social capital resources emerge for further development.

While much focus was upon networks and values being ‘group’ resources in and beyond social enterprises, the trend was observed that the networks through which values were shared and trust built were networks mainly of individuals and not of groups/organizations. It may be significant that the role of these individuals in facilitating the generation of social capital for building the social economy seems to be more prevalent in localities where there is less local bonding social capital. However, only in the case of one of the eight social enterprises studied (HEC) was the organization directly developed from the work of an individual, who mobilized social capital to develop the organization (and therefore might be termed a social entrepreneur); although even here the context of a wider environmental movement proved crucial. Thus although social enterprises clearly relied on the efforts of numerous individual stakeholders, few, if any, saw themselves as, ‘social entrepreneurs’. Rather, a core value which most of those involved in social enterprise cohered around was the cooperative spirit, and the liberal ethos of an individual social entrepreneur was antithetic to that. Key individual actors and ‘leaders’ were able to succeed in mobilizing social capital because they were embedded in the context of a wider community, group, organization or movement which generated this social capital.

**Social enterprises, social capital and building a local social economy**

The third hypothesis investigated extended the relationship between individual social enterprises and the development of social capital to consider whether through cooperation and mutual support local social enterprises generate a form of social capital supportive of the development of a wider local social economy. In formulating this hypothesis it was recognized that relationships between social enterprises may be characterized by competition as much as by cooperation, and that competition might also build elements of social capital. Such competition was particularly likely to occur around public-sector support for contracts to deliver services, especially funding to provide support in areas such as welfare, training and education for specified client groups.

In fact the research found little evidence of significant cooperation between social enterprises at local level. While networking with other social enterprises was limited, extensive networking with
other actors in the third sector was strongly apparent. Social enterprises in isolated areas understandably had fewer group contacts to network with outside their own locality, but also ensured that members did network and ‘celebrated’ that. In the case of the smaller, more rural, localities there was an absence of other social enterprises with whom to network or compete. However, in Nästansjö it was

<table>
<thead>
<tr>
<th>Social enterprise</th>
<th>Origin</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>SPAIN</strong></td>
<td></td>
</tr>
<tr>
<td>la Vall d’en Bas</td>
<td>Created as a result of three circumstances: crisis in the agricultural sector; land concentration into larger farms; and the union of four local municipalities. These circumstances (or indeed threats to the local economy) along with support from public officials at national and local levels brought the agricultural owners together, using social capital, to form a local cooperative. The cooperative resulted from circumstances, need and local people acting together. It did not emerge from another organization.</td>
</tr>
<tr>
<td>CLS La Mina</td>
<td>Created in response to funding from the European Social Fund and administered through the life of the project by Fundacion Cirem (a non-profit, private organization), a large organization established in 1990. This project was a partnership between the local municipality and the Catalan government employing Fundacion Cirem to administer the micro-project grants.</td>
</tr>
<tr>
<td><strong>GERMANY</strong></td>
<td></td>
</tr>
<tr>
<td>Kirchbauhof GmbH</td>
<td>Created in response to high local unemployment and set up by a local church to provide training and employment. This organization was created as part of the outreach work of the church.</td>
</tr>
<tr>
<td>Zukunftsbau GmbH</td>
<td>Created as part of a wider enterprise, Zukunft Bauen, to foster youth training and counter high unemployment. The social enterprise was created by an existing social organization.</td>
</tr>
<tr>
<td><strong>SWEDEN</strong></td>
<td></td>
</tr>
<tr>
<td>Vågbrytarna/Break (Umeå)</td>
<td>Created in response to the needs of young people for education and employment. Set up by the local YMCA (KFUM Norrsbyskar) with inspiration from a similar organization in a neighbouring town.</td>
</tr>
<tr>
<td>Nästansjö Kooperativa</td>
<td>Created by local people in order to obtain cheaper goods and influence the selection of goods within the village cooperative store. It was originally initiated by a temporary resident and is an independent part of the large cooperative movement in Sweden.</td>
</tr>
<tr>
<td><strong>UK</strong></td>
<td></td>
</tr>
<tr>
<td>Hornbeam Environmental Centre and Gannets Café</td>
<td>Created by two local environmental activists and voluntary groups to provide a focus for a wide range of community-led environmental activities which use the facilities.</td>
</tr>
<tr>
<td>BRAG Enterprises</td>
<td>Set up by local activists working with local councillors from different political parties to take over a local school which was closing down to provide a workspace and training for employment. Support was further provided by a social enterprise support organization and council officials but the main driving force was local residents working together.</td>
</tr>
</tbody>
</table>
reported that cooperation prevailed between the main social enterprise (Koopra) and other organizations in the broad third system (voluntary and mutual aid groups). Furthermore, the research in la Vall d’en Bas indicated that cooperation and networking with other social enterprises took place on a regional and national scale. Also, in these rural localities much networking took place between stakeholders within the organization. Cooperativa La Vall d’en Bas held regular social events to enable people to integrate and network. The UK, Swedish and Catalan social enterprises viewed themselves as part of several wider networks, which ‘traded’ important mutual and reliable information. Such shared information constitutes an aspect of the social capital from which social enterprises are able to form an identifiable local social economy.

Social enterprises did generate and strengthen social capital through their reputation as effective and dependable organizations and through their membership of wider social economy networks. Furthermore, there was evidence of appropriable social capital made available from one successful development of social enterprises being built upon to generate other new social enterprises and develop a local social economy (e.g. the social enterprises of BRAG, la Vall d’en Bas and HEC were all involved in the creation of other social enterprises in the locality). In two cases, Benarty and Waltham Forest, a ‘cluster’ of social enterprises emerged, often involving members of the same group who generated appropriable social capital and moved on to develop new projects. In the case of the ‘Green’ cluster around the Hornbeam Environmental Centre in Waltham Forest, the initial establishment of the Forest Recycling Project in the late 1980s inspired the later development of an environmental centre, café, training cooperative, Local Exchange Trading scheme, as well as other associated services. In the process of utilizing such social capital to develop these new collaborations, reduced transaction costs permitted them to happen more quickly and efficiently than might otherwise be anticipated. In addition, the establishment of intermediary organizations or a development agency, which had as their major objective the initiation and support of social enterprises, was another important dimension in developing forms of bridging social capital. These organizations almost always served a defined locality and inevitably involved the role of facilitating networking of existing local social enterprises (see Technologie-Netzwerk, 2001).

**Conclusions**

That social capital in its short and meteoric history has proved a controversial and elusive concept is beyond dispute. However, recent debates have succeeded in providing some degree of convergence concerning definitional issues and a drawing back from the more grandiose claims concerning its significance and what it can and cannot achieve (e.g. Schuller et al., 2000). In providing a theoretical framework for thinking about the role of social networks within the economic development process, notions of social capital clearly link into ongoing debates upon the role of networks and relational assets within the local economic development process, not least in realizing external economies such as transaction costs. Unfortunately, much of the work on the role of social capital and economic development has to date proceeded on the basis of quantitative analyses at the national level using rather crude proxy indicators. Given the questionable relationship between these proxy indicators and social capital itself, it is not surprising that these analyses have provided few insights into the relationships and mechanisms by which social capital is produced, reproduced and used within the development process.

For the study of local economic development in particular, this lack of understanding of how social capital is rooted within local contexts appears a particular limitation both in the deployment of the notion of social capital and in terms of understanding the dynamics of local economies. Findings from this research demonstrate that given the intangibility of social capital and its presence at different levels and scales of relationship, any examination of local social capital should prioritize interpretation over measurement (Johnston and Percie-Smith, 2003). Contextualization is retained in this way, enabling a situated examination of the relationship between social capital and social economy within the local development process, which incorporates the possibility that the very act of research fieldwork will amplify the notions of social capital and social economy in employing them. In this sense social capital can be considered...
an heuristic device serving to stimulate investigation of, in this case, the development of local social economies. Important to this particular endeavour are the features of social capital as both appropriae and capable of reducing transaction costs, the insights which are provided into the role of different types of social capital at different scales and their relationship to different developmental contexts. In addition we must acknowledge the role of the state in attempting to promote the building of social capital and the development of the social economy.

In considering the relationship between social capital and the social economy within the localities studied, there was little evidence that local social capital was a significant influence on the emergence of the social economies; although social capital provided by interest groups, organizations, communities or social movements, which cut across and beyond the locality was important, particularly in more urbanized locations. Thus contextual features relating to economic, political and social structures – were central to interpreting this relationship between social capital (whether local, communal or organizational) and the local social economy. Bonding and bridging types of social capital were evident in the localities of the research. However, the ‘level’ of such social capital resources was less important than the balance between different forms, and how they were actively marshalled to achieve different things in the establishment, growth and consolidation of social enterprises.

The processes by which social enterprises use and build social capital were clearly demonstrated in the findings provided by the social audit methodology. In this respect, the distinction between the type of social capital that bonded stakeholders around a specific mission or objective and that which bridged to other social enterprise groups was an important one, as was how these different forms were important at specific junctures in the development of a social enterprise. There was considerable evidence of social enterprises networking (but not always with other social enterprises) and, indeed, of competition between social enterprises, mostly for public-sector support and funding. The development of clusters of social enterprise in certain localities confirmed that the social capital generated by the development of an initial social enterprise is appropriae to facilitate the development of further social enterprises.

What is apparent is that the potential importance of social capital in the local economic development process resides in its ability to lever in and maximize the use and development of other sources of capital within the local arena. Consequently, the nature of social capital and its development capacities can only be seen in relation to these other capital forms. For deprived localities the existence of social capital of itself is of little significance in the absence of stocks of finance, physical and human capital (Portes and Landolt, 1996). However, the fact that social capital developed for one purpose can be ‘appropriated’ and used elsewhere in the economic development process is a defining characteristic of dynamic localities where the availability of different types of social capital expands via its continued and intensive use. Although the findings demonstrate the importance of different types of social capital and their variable role across different spatial and temporal contexts, we should not lose sight of the fact that access to social capital is by definition restricted to those who participate in social networks. Consequently, close attention needs to be paid to the multiple natures of different social networks and those who are routinely included and excluded in their operation.

The focus on the notion of local social capital has provided a useful lens through which to examine the emergence of local social economies in their context. The importance of local contexts, the distinctions between bonding and bridging social capital, as well as the role of the state and active attempts to build local social capital and develop the local social economy, all provide greater understanding of the mechanisms linking social capital, the social economy and local development. Given the current policy emphasis across Europe on the development of the social economy and support for social capital formation within neighbourhoods and localities, such an enhanced understanding is important. To date, such policies have been formulated with little apparent understanding of how social capital and the social economy are interrelated within specific developmental contexts. It seems apparent that if such policies are to be more effective in the future they will need to be more realistic about the significant constraints of such an approach, and exhibit greater sensitivity to the needs for balanced development of different forms of social capital over time and rooted within specific local contexts in the development of the social economy.
Acknowledgements

In the production of this article we have drawn upon the work of our partners within the CONSCISE Project and we would like to thank our colleagues and partners for their stimulating discussions and sharing of ideas across this research project. We would also like to acknowledge the support of the Research DG of the European Commission and the valuable comments of three anonymous referees.

Notes

1 The CONSCISE Project was a three-year transnational European partnership which carried out research funded by the European Commission’s Framework V programme under its Key Action of Improving the Socio-economic Knowledge Base. Led by the Institute of Social Science Research at Middlesex University (London), the project also involved partners at Community Business Scotland Network, the Technologie Netzwerk Berlin, Gabinet D’estudis Socials of Barcelona and the Natverket for Cooperatives and Social Enterprises in Vasterbottens, Sweden.

2 A survey of residents of the eight selected fieldwork localities was carried out using a Local Social Capital Survey questionnaire devised by the research team. This questionnaire comprised two main sections: one examined the six characteristics of the adopted working definition of social capital (trust, reciprocity, shared norms, shared commitment, social networks and information channels); the second gathered basic socio-economic information on the respondent. Analysis of the results led to the creation of various indices of local social capital. For full details on how the index was constructed, see CONSCISE (2001a). The representativeness of the survey results was limited by the restricted nature of the population sample size.

References


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