

# Social Capital Indicators

## Dimension - Social Developments

Associated Key Factor:

### Inequality and Social Exclusion

Data Source:

The World Bank Group

Integrated Questionnaire for the Measurement of Social Capital, 2003, Social Capital Thematic Group

<http://www.worldbank.org/poverty/scapital/index.htm>

<http://www.worldbank.org/>

### General Availability:

Reporting unit: Community

Reporting level:

Reporting period: regularly

Data available from to

### The indicator:

Social capital refers to the institutions, relationships, and norms that shape the quality and quantity of a society's social interactions. Increasing evidence shows that social cohesion is critical for societies to prosper economically and for development to be sustainable (World Bank)

### Description

A narrow view of social capital regards it as a set of horizontal associations between people, consisting of social networks and associated norms that have an effect on community productivity and well-being. A broader understanding of social capital accounts for both the positive and negative aspects by including vertical as well as horizontal associations between people, and includes behaviour within and among organizations, such as firms. This view recognizes that horizontal ties are needed to give communities a sense of identity and common purpose, but also stresses that without "bridging" ties that transcend various social divides (e.g. religion, ethnicity, socio-economic status), horizontal ties can become a basis for the pursuit of narrow interests, and can actively preclude access to information and material resources that would otherwise be of great assistance to the community (e.g. tips about job vacancies, access to credit). The broadest and most encompassing view of social capital includes the social and political environment that shapes social structure and enables norms to develop. This analysis extends the importance of social capital to the most formalized institutional relationships and structures, such as government, the political regime, the rule of law, the court system, and civil and political liberties. This view not only accounts for the virtues and vices of social capital, and the importance of forging ties within and across communities, but recognizes that the capacity of various social groups to act in their interest depends crucially on the support (or lack thereof) that they receive from the state as well as the private sector. Similarly, the state depends on social stability and widespread popular support. In short, economic and social development thrives when representatives of the state, the corporate sector, and civil society create forums in and through which they can identify and pursue common goals.

Source: World Bank, <http://www.worldbank.org/poverty/scapital/whatsc.htm>

The origins of the concept of social capital can be traced to Coleman (1960) and Putnam (1993, 2003).

### How is it measured?

The most comprehensive definitions of social capital are multidimensional, incorporating different levels and units of analysis. Thus there is no single measure of social capital. Social capital includes dimensions tapping on items such as trust in government, voting trends, memberships in civic organizations, hours spent volunteering, voter turnout, newspaper readership, access to basic services, etc.

### What are the advantages of the indicator?

A multidimensional indicator tapping on the 'black box' of community / social life that is the key to economic performance.

### What are the disadvantages of the Indicator?

Insofar as this is a multidimensional indicator it is difficult to measure.

### What is the policy relevance of the indicator?

Useful for explaining why specific socio-economic reforms are possible in some areas and not in others.

**The Indicator is relevant for the following pathways of the FORESIGHT FOR TRANSPORT exercise:**