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Royal Roads University

Building Capital: The Social Dimension of Sustainable Development

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Moderated by Dr. Ann Dale

Participants

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Rod Dobell, Professor, School of Public Administration, University of Victoria
Greg MacLeod, Director, Tomkins Institute, University College of Cape Breton
Peter Robinson, President, Mountain Equipment Coop & MEC's Sustainability Team
James Tansey, Research Associate, Sustainable Development Research Institute, UBC

Day One: Mar. 12: What is Social Capital?
Day Two: Mar. 13: Social Capital and Sustainable Development
Day Three: Mar. 14: Who Can Build or Destroy Social Capital?

Dialogue - Day One: What is Social Capital?

Judith Maxwell

Good afternoon to all.

And welcome to Day 1 of the e-Dialogue on Building Social Capital.
I am pleased to have the chance to work with our distinguished panel of experts
Dobell, Herb Barbolet, James Tansey, Greg MacLeod, and Peter Robinson.

Let's begin with introductions

Could you please tell us about yourselves?

Herb Barbolet

Herb Barbolet, Executive Director FarmFolk/CityFolk Society

Having worked in Community Development for 30 years, Herb was the founding member of numerous limited companies, cooperatives, and non-profits, including FarmFolk/CityFolk, which Herb is still with. FarmFolk/CityFolk strives for food democracy, with Herb at the forefront, working on issues of food security, food policy, agriculture, and related topics. He is a monthly participant on CBC Almanac's Food

Panel and appears regularly in all media. Herb is co-author of FarmFolk/CityFolk, the book, and is currently working on his second book. Many folks consider Herb Barbolet to be a leader in the sustainable food movement in Canada.

Peter Robinson

By way of introduction ... I am the Chief Executive Officer of that wonderfully anarchic, active and engaged organisation Mountain Equipment Co-op. In some small way, MEC reflects many of the issues of social capital that will no doubt be teased out over the next few days.

I'm also actively involved in work with respect to prisoners detained because of conflict or pending refugee claim status. I have worked in prisons of Rwanda, as well as Corrections Facilities in British Columbia. these experiences - both professional and voluntary - are intoxicating.

Rod Dobell

Hi Judith-- Great to be here with this group. Look forward to enlightenment... As a mathematical economist working on optimal control theory and the complex dynamics of economic models with many capital goods, I returned in the late 1960s to Canada as Professor of Political Economy at the University of Toronto. In 1969/70 I had the wonderful opportunity to begin what turned out to be an extended eight-year field trip through the most senior reaches of the Government of Canada, and OECD.

As a result, I concluded that the more relevant issues were in public administration and micro-modeling. After seven years directing a School of Public Administration I had again an opportunity to go on an extended seven-year field trip, this time as President of a big NGO, The Institute for Research in Public Policy. As a result, when I returned to academic life again, it was as Professor of Public Policy, with a focus on the social challenge of global change, particularly on social learning and the deliberative processes by which communities come to agreement on collective intentions (and more importantly, on realization through individual action in accord with the collective intentions).

Now I'm an ecological socio-political economist, back again to the complex dynamics of models with many capital goods, but now focusing on social, institutional, cultural and natural capital.

Greg MacLeod

I am a university professor and activist in community businesses- such as New Dawn Enterprises, and BCA, a community finance company, we are now building a not-for-

profit condo etc. these are volunteer businesses. I experiment in both practice and theory. I am now in Quebec visiting innovative, job creating cooperatives. My special interest is business development in non-metropolitan areas. You are all invited to invest in BCA.

Havi Echenberg

Hello. I'm an independent consultant in Ottawa with a particular interest in both social capital and using technology to build it. I'm happy to be here.

Sheila van Wyck

Hello. My name is Sheila Van Wyck and I am a policy analyst in the social policy and programs branch of the Department of Indian Affairs & Northern Development, at Headquarters in Ottawa.

James Tansey

I am a research associate with the Sustainable Development Research Institute at UBC. I am currently involved in the Georgia Basin Futures Project. Part of this involves research on the role of social capital in increasing the resilience of resource dependent communities.

My background is Environmental science/human geography

Judith Maxwell

To begin, we need a definition of social capital– or several.

Rod, would you like to begin with your definition?

Rod Dobell

What is social capital?

Informally, I guess I define social capital as the mesh of shared norms, codes and institutions that enables people in a community to work together with some confidence in the way the other members of the community will adhere to the shared codes, interpret collective intentions, and meet their commitments to comply.

Speculatively, I wonder whether it is important to distinguish the implicit character of

this shared context from an explicit institutional capital that provides an accepted legal and contractual framework that generates the same degree of confidence and predictability within, say, a formal market economy.

Greg MacLeod

"Social capital is generally defined as the relationships, networks and norms that facilitate collective action. " (p. 6 ISUMA) I restrict it to voluntary relationships

Peter Robinson

Interesting, Rod ... here's my version:

A few weeks back, when we were learning to work with the e-dialogue technology, we were asked what social capital meant to us. In the few remaining minutes I tossed off a definition that upon reflection sums up my view of social capital quite well:

"Social capital is the accumulated good-will of a community"

1. "accumulated" because I wanted to capture the language of other capitals (financial, environmental, etc.)
 2. "good-will" because it is a basket of intangible qualities reflecting engaged and active communities
 3. "community" because there is an issue of scale here - not too small, not too large
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Herb Barbolet

Using the term social capital to depict concepts of social networks, reciprocity or any of the myriad things to which it has been applied is self-contradictory.

The discussion is basically whether humans are basically social beings, economic beings or, my view, one part of everything. For those of us not accepting that the sole or primary purpose of humans is to participate in economic interactions, once we start to use language like social capital we have conceded the debate.

It seems that a primary motivation for using concepts such as social capital is to try to meet the perceived advantages of more seemingly measurable areas of human activity.

James Tansey

I am pretty happy with Bourdieu's definition of social capital: 'the aggregate of the actual or potential resources which are linked to possession of a durable network of more or less institutionalized relationships of mutual acquaintances or recognition' (Bourdieu, 1985: 248).

The reason I like it is that it is neutral and doesn't include judgements about whether social capital is good or bad.

Herb Barbolet

Rod, this effort seems to be to look for acceptable ways of measuring and evaluating "non-measurables". But, what we can and do measure is suspect. The World Bank, George Soros, and innumerable other authorities have discounted the value of such ubiquitous concepts as Gross National Product and Gross Domestic Product. These mainstays of common discourse about human interactions are understood to be grossly inadequate, yet they remain the cornerstones of measurement of human interactions.

Classical economics puts "externalities aside" and assumes "all things to be equal". We know that these premises are false, yet we still use them. Should we be seeking to quantify social relationships as well - or badly - as GNP or GDP does economic ones? Or should we preferably improve economic measures by pressing for eco-based economics rather than anthropocentric and market based, and leave the rest in the realm of the sacred.

Example, In the 1960's when John F. Kennedy promulgated The War On Poverty, the United States changed the eons old definition of poverty - from lack of land, to lack of income. Hundreds of thousands of people who thought of themselves as rich because they owned the land upon which they subsisted, now were told, and soon believed, that they were poor. Their affluence, or lack of it could now be measured, but the decline in their well-being could not.

Greg MacLeod

For me the def. by James Tansey is not enough.. I wish to add the notion of voluntary chosen relationships.. .. the contrast is a type of modern society where individuals work and then come home and watch television... Not much choice..

Judith Maxwell

Does anyone want to react to Herb's comment.

Is this self-contradictory?

Rod Dobell

On Herb's comment, I don't see that anything is conceded by using the concept of

social 'capital' as a latent capacity or potential--a resource that the community can build up, draw down, and use for purposes, good or ill. Surely the idea of a social resource does not imply an economic view or purpose?

Havi Echenberg

I see individuals as participants in private relationships, economic relationships (which I'd argue with Rod are not always based on trust or reliability), and social relationships. Whether or not it's called "capital" is not entirely relevant to me.

Peter Robinson

Herb raises an interesting point - but my own view is that there is essentially a "bank" of good-will, built from the myriad interactions that occur in an engaged society. We can add to this bank, or we can erode it. From this perspective, the term "social capital" is as good as any other term to capture the networks that are built up. More importantly to me, however, is how fragile this capital is. One only has to view the disintegration of the Republic of Yugoslavia to see that decades of accumulating social capital can disappear in a matter of months.

Greg MacLeod

I think it essential to recognize the reality of social capital as described by Robinson.. but that does not mean that it can or must be quantified as Herb seems to fear

James Tansey

I want to react to Herb's comment. Many writers have pointed out that there is nothing new to sociologists in the concept of social capital (Portes for instance). The argument that humans are social animals is a starting point for sociologists but would appear to be news to the economists, some political scientists and psychologists. I think the more powerful argument is not to suggest that economic and social activities are in a separate realm but to suggest that economic activities are a sub-set of social activities. Economics would benefit from seeing both work and consumption activities as social, contributing to identity etc.

Rod Dobell

Folks (esp. Herb)--
Isn't the question of measurement a separate question? We have a lot of efforts to find alternative measures of progress toward sustainability, and most of these hang

up badly on the (non) measurement of social capital in terms that could go into an index or time-series. But the existence of the resource as a contribution to community output in general surely is still there?

Herb Barbolet

James, I agree. It doesn't seem to be a simple matter of changing what mindset to accepting economics as a sub-set. Perhaps that's what they're talking about - how that comes about.

James Tansey

Greg, you argued that my definition is not enough. Well limiting it to voluntary relationships implies firstly that you think they are better and secondly that social capital should be defined in narrower terms. Why not keep the ambiguity of Bourdieu's definition and find ways to distinguish between types of social capital.

Greg MacLeod

James, I am only interested in the relations that humans can control.. that is the domain of democracy no?

My interest and understanding of social capital is grounded in my concern for helping to change society.. to solve problems etc...the voluntary

Judith Maxwell

So do you all agree that we want to talk about how we are connected to each other? What are the ways that these networks are built?

Havi Echenberg

As is evidenced here, networks that used to be based on geographic proximity are increasingly based on communities of interest, which may not build the kind of social trust and relationships that also work in situations of geographic proximity.

Rod Dobell

Communities of interest, as distinct from communities of place, might be built in

several different ways. We have epistemic communities emerging from extending negotiations across communities or cultures. We have virtual communities built around shared values or (as in the case of the cross-national communities built to oppose NAFTA) common opposition. But we also have communities of economic interest--e.g., highly dispersed communities of fishermen holding individual quotas to tap into a migratory resource.

Peter Robinson

Rod ... you speak about communities of interest that are distinct from communities based on geographic proximity. I wonder, though, about where a community of interest adds to social capital. Are communities of interest inclusive? Do they not exclude "non-believers" and thus only add a "limited dividend" capital ... if I might use another financial metaphor.

Ambrose

Social Capital Hmmm. I would suggest it is the combined capacity of a communities to work for the interest of the community ahead of the interests of the individual. Personal capital, although I don't like its parallel meaning with money, is the individuals capacity to work for their individual interests. When this personal capacity is applied to a broader spectrum of values external to the individuality becomes social capital.

Havi Echenberg

I'd argue that communities of interest may not be exclusive. Example: if I'm interested in music, I may belong to a community that includes those whose idea of music doesn't match mine, but we're both still learning about each other. What builds social capital in such communities is the willingness to learn, to be respectful of difference. That's an essential ingredient to building social capital, in my view, Judith.

Peter Robinson

How are they built?

Surely they are created because people care about their communities - and seek to make their points known through being active and engaged.

Of course, this assumes that everyone knows how to communicate respectfully - which is where the issue of good-will can break down. Active engagement can be destructive if it's only about saying "what's wrong".

Ambrose

How we are connected to one another? Communities with social capital are connected through their needs. These being physical needs, emotional needs, spiritual needs, survival needs etc. Relationships and community infrastructure develops to accommodate these interactions to meet common needs. Networks can be developed based on common understanding of needs as well as appreciation of a benefit when people work together. When these relationships develop and prove effective they repeat becoming a traditions of social capital.

Havi Echenberg

Perhaps another way to look at the "networks" is to see them as "appreciative communities".. communities in which individuals feel safe and valued. These are built, I believe, by continued exposure, common goals, and personal will.

Judith Maxwell

I like that word appreciative!
Some of the literature refers to bonding, bridging, linking. Would some one like to explore those concepts for us?

Havi Echenberg

Bridging suggests some connection between what were previously isolated individuals or communities. I believe that a common set of values or interests are necessary to build such a bridge.

Kevin T

Hi everyone,
With respect to bonding, bridging, and linking these are all concepts that we see as success factors for building teams (groups of individuals with common goals). In the context of social capital I see the team as being much larger and much more complex.

For instance, what governs the momentum of social capital (constructive versus non-constructive).

So, while these are some of the building blocks for social capital, they may not address the applicability of social capital.

Judith Maxwell

A question from the audience, "What spiritual values are inherent in the concept of social capital and how do they play themselves out on a day to day basis?"

Greg MacLeod

I would say that spirituality adds a reflective and evaluative aspect to social capital.. taling social capital always as voluntary relationships of various sorts.

Peter Robinson

Regarding the question of spirituality ... which I take to be somewhat different from organised religion? Regardless, let's assume that religious traditions - where they are practiced in a community (geographic or interest) - add to the bank of social capital. From this perspective a spiritual (or religious) tradition based on networks among people engaged in supporting their community adds to the social capital bank.

Question, though ...can this "bank of social capital" contain a plurality of spiritual traditions?

Havi Echenberg

Peter asked: "can this "bank of social capital" contain a plurality of spiritual traditions?" If the spiritual traditions are built on pluralism, I'd think so. If it's built on exclusion, then I don't see how it could be a positive contributor to building social trust.

Rod Dobell

Isn't Peter's question essentially the question whether you can build social capital (shared core values, mutual respect, cohesion) at larger scale, across cultures, by concentrating on the diminishing core of values common across increasingly large scale? In the limit, is there any core shared at the level of the human family, in the face of deep diversity?

Herb Barbolet

I believe that the spiritual element goes beyond the linking, bonding or bridging if one

considers oneself part of the entire universe and others' interests are a significant concern or priority, then a mindset is created that allows for the creation of appreciative communities.

If one takes the view that self interest is the sole or primary basis for relationships, then the types of associations that are created could arguably be less vital.

James Tansey

Peter, it is hard to argue that there is a fixed relationship between religious traditions and social capital. Organised religions throughout history have on many occasions sought to bind people into religious communities, but they have also sought to undermine other forms of capital. For instance, consider the role of the catholic church in destroying local capital deemed to involve alignment with the devil. In this case and in many examples, the danger of social capital is that it is used to romanticise social relationships and romanticise what happens in communities. Part of the dynamic of sustaining shared identity through time is that a group marks its boundaries. Some are inside, some are outside. More importantly, social groups are extremely robust, even when they are rife with conflict internally.

Greg MacLeod

Definitely, I believe that we must maintain a diversity of spiritual traditions, but I also believe that there is a enormous deposit of shared values.. you can't dialogue if you don't share some basic values.. in the middle ages, there were wonderful dialogues between Christians, Jews and Moslems.. many common concerns.. until the politicians cracked down on the philosophers.

Rod Dobell

Can you build strong social cohesion on the foundation of respect for difference? One would like to say yes, but what about fundamentally different views about social process, about the rights of women or children, and so on? I guess we haven't resolved the question whether Asian values and Western values can really co-exist.

Peter Robinson

James ... to go back to your point about religions eroding social capital, yes I would agree there is a history of organised faiths repressing others - but the same can be said about secular traditions as well. Dictatorships, one-party states, all such groups can act to erode the ability of individuals to participate in their communities. Just look at Mr. Mugabe to see how actively he is trying to stop the struggle of those

who would like to engage in their community.

Judith Maxwell

Several of you have acknowledged that we can create or destroy social capital -- lack of respect, exclusion etc.

Let's see if we can build a good list of what creates social capital, and then later we can go on to what destroys.

Peter Robinson

Okay ... what creates social capital?

1. A tradition of trust - built over time.
2. A tradition of participation, almost an expectation that engagement is part of the community good.
3. A tradition of moving forward (more on this later).

So, why the word tradition? Because all these points are social constructs, reflecting the tradition or traditions from which they derive.

And why moving forward? Because of communities don't change, they stagnate and fail (I'm open to challenge on this).

Martin Vachon

Hello all. I'm a student in sociology in Québec City and spent a few month within the GBFP last year (sorry for my bad English). I particularly appreciated the last comment of Peter Robinson which made me think of what follows. I wonder if we could look at social capital from the notion of interdependency of resources we all need, as the link between us? Then social capital would be the conditions that enables every actor to exchange resources he needs with others. By conditions I mean trust, confidence, transparency, symmetry of meanings, etc. I think that symbolic interactionism (Strauss) could help us with that.

Peter Robinson

Bonjour, Martin Vachon ... et bienvenue!

I agree with your point about the interdependency of resources. In fact, many business are trying to find a way to report on the "triple bottom line" - one which links financial, environmental and social factors into a single report card. I know Rod can add more to this, but my sense is that we need to find a way to integrate such reporting into performance.

Havi Echenberg

I believe that the expectation of participation needs to respect the life-cycle demands that people face. I believe, for example, that those with young children or dependent parents have less time than those at other life stages, and their involvement is likely to be more limited and possibly more focussed on the particular demands they're living with. Hence, the expectation of participation, if it doesn't respect such familial responsibilities, will also be exclusionary.

James Tansey

Havi, it seems to me that you have distinguished between two forms of social capital, based on the extent to which individuals feel bound into a social group or on the basis that they are able to move in and out without penalty. This is one of the dimensions of social life that is used in a typology Rod and I have played with.

Judith Maxwell

So, where does compassion come in here.

Rod Dobell

Let me, as the crass economist, argue that we don't need compassion as essential to social capital. Social capital can be built through repeated interaction that generates trust, effective for lots of purposes, compassionate or not.

Herb Barbolet

In this discussion are we dealing with Canada, North America or the world. More than two-thirds of the people on the planet still derive their sustenance directly from the land. Their approach to social capital (although I still reject the term) presumably would be different than ours.

Greg MacLeod

I see social capital as the complex of voluntary relationships... there is more or less of it in different societies..
Compassion is an attitude of the individual towards others.. I am certainly in favor of it and some societies favour it more than others.

James Tansey

Rod, I agree. I think making compassion an essential component of social capital is a distraction. There are lots of examples of social groups with high levels of social capital, whose viability does not depend on compassion

Havi Echenberg

Rod, how does what you describe differ from self-interest? Or are you suggesting that self-interest and social capital-building bonding aren't mutually exclusive?

Rod Dobell

Interesting question whether greater social capital generates greater concern for a social interest ahead of individual interest or not. It's possible to make the case that social capital helps to recognize a longer term self-interest pursued through cooperation, to achieve a social optimum (but only for selfish reasons).

Greg MacLeod

Havi, I would say that self interest and social capital building are mutually reinforcing.. My premise is that we are fundamentally social and anyone who tries to live as an isolated person thereby diminishes him or herself.

Herb Barbolet

In my dictionary, compassion is defined as pity - isn't empathy more the concept we're looking for?

Judith Maxwell

We now have interdependence, respect, trust, participation, appreciation, common goals. Are there other elements to add to the list? Maybe a common enemy?

Peter Robinson

Judith ... a common enemy? Absolutely NOT. Fear does not build social capital - it builds barriers.

Seriously, if we assume that one of the distinguishing features of social capital is that

it is respectful of other traditions - then common enemies are the antithesis. They exclude others based on ... on what? Usually on something we are taught to fear.

Havi Echenberg

Is there any assumption operating that social capital is generally a constructive force? And if so, constructive in what sense? Was Nazism a particularly effective form of social capital, for example?

Peter Clutterbuck

Hi, I'm working with social planning councils in Ontario on social capital formation strategies. Re the key elements of social capital and the suggestion that one is compassion -- Isn't social capital really value-free, like finance capital -- depends on what you bring to it. Isn't the Hell's Angels a great social capital model in a limited way (i.e. great at bonding -- not too interested in bridging except to exploit for group's own profits) -- how would compassion fit there?

Rod Dobell

It seems to me that one of the interesting features of current discussion is the argument that cooperative behaviour may represent an evolutionarily stable strategy. In a longer term perspective, my success depends on my convincing other people that I can be trusted, that I will be willing to participate in a tradition of generalized reciprocity, that I'm willing to abide by agreements that pursue a social optimum even at the expense of immediate apparent short term self interest.

Peter Robinson

Ahh, Rod ... thank you for raising the issue of co-operative behaviour - given that I work in a co-op, I can say that the tradition of 30 years of often rancorous, impassioned debate on issues from where we source our products (yes ... some are made in China) to whether encouraging people to get into wilderness actually destroys the very environment we seek to access - has created an amazing history of debate, dialogue and learning.

Is it co-operative behaviour? Not really ... in fact it can some times be a pain in the ***. Would I change it for staid, autocratic models of business? Never.

Greg MacLeod

Havi, we value free will.. it can be used for good or evil.. social capital can also be of

fundamental value but can be used for good or evil as in your example of Nazis.

James Tansey

The themes raised in this discussion are the themes that have occupied sociologists for many years. And they haven't found many clear answers. The question of whether there is an opposition between self interest and social capital building is a good one. First the distinction assumes that everything we do is a conscious rational choice where we weigh the benefits of participating against the costs of our time. Secondly, if you make self interest broad enough then even seemingly altruistic acts can be considered self interested. If I make a large donation to a charity that builds social capital that might be considered self interested if it gives me pleasure and adds to my status.

Rod Dobell

Absolutely social capacity represents a capacity that can contribute to better achievement of a variety of purposes, good or ill. Like the physical capital that can be used to make bombs or batteries, social capital can make either the FBI or the Hell's Angels or the Catholic Church more effective in pursuit of their corporate purposes.

Herb Barbolet

Peter: You highlight a difficulty I'm having with this discussion. The concept that social capital can even be construed as value-free, is one which resides in a different paradigm. Talking across paradigms, often the same words have different meanings.

James Tansey

Peter, Robert Putnam has argued that the greater sense of fear created by 9/11 has increased social capital in the US. I don't think he is measuring the right things but fear of a range of external threats can create stronger solidarity among members of a community.

Peter Robinson

But James ... if 9/11 created a community based on fear - did it not also have the effect of racial profiling those who don't fit into the community? How can that possible add to social capital?

I would agree, however, that the ability to debate the outcomes in a frank and open

manner WOULD add to social capital. However, in a state of crisis and fear, debate is very often stifled.

Judith Maxwell

Some clarification around compassion and empathy.

My understanding of compassion is that it manifests itself as a sympathetic consciousness of other's distress, together with a desire to alleviate it. Empathy is the action of understanding, being aware of, being sensitive to, and vicariously experiencing the feelings, thoughts, and experience of another of either the past or present without having the feelings, thoughts and experience fully communicated in an objectively explicit manner.

Janice

What is the link between community development theory and a definition of social capital?

Greg MacLeod

Janice, community development is voluntary and relational. It both depends on social capital and reinforces social capital.

I have special interest in trying to convert social capital into business capital you can measure business capital quite easily but it is almost impossible to measure social capital , I would say, although there are indicators

Judith Maxwell

Greg, what indicators do you recommend?

Havi Echenberg

To respond to Janice's question, I think that social capital in the sense of building trust within a community is the goal of community development, and that community development strategies will often be successful in building social capital.

Deb

To James -- Robert Putman talks about bridging versus bonding -- where bridging

has more lasting effects on building social capital. I would argue that the effects they measure after a crisis such as 9/11 is that there is incredible bonding (We against They -- rather than bridging within the 'We' part) and that is why the social capital declines (usually around 6 months after such an event -- and why it may still be strong in the case of 9/11 & the war against terrorism).

James Tansey

To Peter and Deb

(Apologies for the delay but I was excluded from the discussion for a while)

Peter: If you define social capital in purely positive terms, then yes, 9/11 created an atmosphere of suspicion and exclusion despite creating stronger shared identity than existed prior to the event among the people not subject to racial profiling etc. But if we define it just in positive terms then why is it any more useful than terms like 'community'.

Deb: This is a related issue. I don't think the bridging versus bonding distinction is being used very consistently by Putnam but at least it does create some kind of distinction.

Judith Maxwell

Thanks Deb. You closed the loop on that question from earlier on.

Judith Maxwell

Another question from our audience, "To what degree does social capital need empirical measurements to be meaningful in the public policy arena? Are those indicators generic, or specific to a particular place and context?"

Havi Echenberg

What is the purpose of measuring social capital? If it is to measure outcomes of various interventions, then surely there are proxies that might be more relevant.

Rod Dobell

The measurement question takes us down a whole fascinating path of its own. Efforts to measure social capital generally start, it seems, from values surveys, and can link the resulting measures of social capital as an independent variable to some plausible outcomes in terms of subjective wellbeing or social health (both Putnam and Helliwell

have pursued and are pursuing such work). There is a bit of case study work pursuing a network analysis approach to looking at strength of linkages as a possible independent variable explaining degree of success in pursuing collective outcomes like autonomy in resource management. But generally it seems to me the measures or indicators are going to be pretty much community-specific or site-specific.

Greg MacLeod

I would claim that there is a higher level of social capital on a first nation reserve than in a typical metropolitan center.. indicators.. people know each others' names.. when you post a notice in the community hall about some community venture you can get a response.. I suppose there are some measures such as the number of organizations existing or the percentage of people freely belonging to groups.. .but I am nervous about limiting social capital to what can be observed or measured.. I know it is easier to raise money in Newfoundland or Cape Breton for community purposes than it is in Toronto

Peter Clutterbuck

Social capital is really grounded in relationships. So indicators of the presence and strength of social capital might be looked for in the numbers of relationships that exist among a set of people, the reciprocity and equality of relationships, the density and intensity -- things like that. To what ends this resource is put is another question.

Peter Robinson

Rod / Havi, yes - the old question of measurement. Do we need to find a metric to determine if we have good-will? Should there be a "social capital matrix" similar to the "misery index"?

In an earlier posting I noted that many business are, in fact, trying to find a way to measure social capital in order to report on it. The reports I've seen are more dialogues than balance sheets.

This leads to the interesting question of whether social capital can add to a businesses bottom line - the so-called "values equation". It's long been my theory that the very essence of capitalism will force companies to compete on the "social capital" side in the future. Is this a good thing?

Judith Maxwell

Well the list of factors that create social capital has grown long:

Reciprocity/ mutual benefit, interdependence, common needs, empathy, debate/dialogue/learning are added to trust, respect, participation, appreciation, common goals.

Well done everyone. Now though, let's switch to the factors that destroy social capital. So far, we have self-interest, oppression . . .

Havi Echenberg

At the risk of being seen to support the crass economic perspective, I'd argue that self-interest does not in and of itself destroy social capital. It destroys social capital when it is pursued at the expense of trust, and in spite of a commitment made to a different outcome to a community built on social capital.

Rod Dobell

Right on, Havi. I would argue (have argued, in an old paper on the 1983 restraint program in BC) that the manner in which political programs are carried out can destroy social capital and reduce the productivity of the economy as well as the cohesion of the society. Appearing to act in a hard-minded rational way may defeat the self-interested purpose, simply because it fails to display the respect for people that would ensure the decision process is perceived as legitimate and builds a commitment to cooperate.

Herb Barbolet

What destroys social capital? Television.

Judith Maxwell

Television, yes. And Computers?

Greg MacLeod

Judith-- I strongly believe that completely free systems of business do destroy social capital.. in Yucatan , Mexico, fifty thousand Mayan Indians lost their jobs when the heenequen industry changed. In Cape Breton, the basic problem was that the old foreign owned coal companies did not reinvest or build anything to replace the coal industry.. result was social breakdown and outmigration.. it takes generations to build social capital.. dependency on outside economic forces is a key destroyer of social capital. .we have the experience.

Ambrose

Greg: Hi.. Social Capital might be measured by the number of volunteer hours committed by the community, the number of cooperative business, employment created, skill levels increased and the amount of volunteering that is involved in the development of future economic development.

Business capital is easily converted to dollar values and so it can be measured controlled and manipulated by those that have the most capital.

The effectiveness of traditionally business capital was measured by the bottom line but increasingly social and environmental bottom lines are coming into to prominence.

Judith Maxwell

Peter, in an earlier message, you talked about trust, participation, and moving forward, and stated more on moving forward later. How about now? What do you mean by moving forward?

Havi Echenberg

As an aside, I'd have to argue that computers can build social capital by building communities, especially if they are tolerant of difference and embrace diversity as part of their raison d'etre. At least that has been my personal experience and my first-hand observation.

Herb Barbolet

In several communities in which I participate, the internet has drawn us quite close. The social capital can be very quickly destroyed on the internet by using language that is expeditious, however when care is taken to be clear and to be respectful, some amazing things can be accomplished.

Peter Robinson

What destroys social capital is not television and computers ... these, after all, are just things. What really destroys the built-up capital is a feeling that one can not be heard in one's community, that one is immaterial to the larger currents.

Martin Vachon

What destroys social capital? The success of those leading their own activities without any consideration of others. Unfortunately, this shows, following a cost/benefit calculus, that it is possible to take from others without giving, which is contrary to all we've said so far about social capital.

Havi Echenberg

Can we go back and add "reciprocity" to the ingredients necessary to building social capital? (Thanks, Martin!)

Herb Barbolet

I am reminded that greed and myopic focus on the material world can also destroy social capital.

Rod Dobell

When Bob Putnam was in Ottawa last December to talk about social capital, I asked him about the PC generation as compared to the TV generation. (You recall that in his cohort dynamics work, on *Bowling Alone*, he found the smoking gun causing declining civic participation in the advent of TV and the end of civic engagement.) I wondered about the PC generation, on the one hand hooked up around the world, on the other isolated in front of a screen, completely away from personal engagement; on the one hand, able to build virtual movements globally, on the other hand, able to confine attention to the most narrow of ethnic, social and cultural cadres. On balance, good for social capital, or not?

Greg MacLeod

I object when people seem to equate the relationship established by internet with the relationship based on a shared geographic spot.. We are organic and I think it important for a society to have longstanding physical contact... Geographical stability cannot be replaced.. in my view. Although it is very important for individuals to travel from one society to another

Herb Barbolet

Peter: Let's follow the argument of whether or not television destroys family life, community life, and most fundamentally, changes value systems. The pervasive

nature of television has denigrated social relationships through the incessant imposition of economic/material messaging.

Judith Maxwell

Re Herb on Television.

It also destroys social capital by stealing time that would be used for family or social activity, and that is where I see the connection to computers. With computers we work too much and play too little.

Ambrose

What destroys social capital?

Historically communities had much higher levels of social capital because they were dependant on one another to survive. Globalization destroys social capital because it isolates people and reduces the need for the continued development of social interactive skills. It removes the responsibility for a community to supply its own thinking process to survive. It supplies (in first world cases) food, energy, housing and entertainment. It reduces the human function to that of consumption and eliminates the need for community linkages. It creates a set of values that are focused on efficiency, profit margins and eliminates to a large degree, social, political and environmental factors as interference.

Judith Maxwell

Let me pose one last audience question to our panelists before we close this session. "Most of the characteristics of social capital provided are at best ambiguous and, to a degree, very personal versions or considerations of the term.

I wonder if the panel might begin to address how they would propose to make social capital a normative and routine feature of organizations - since large-scale organizations (public, private, and third sector) still remain the central player in substantive and collective decision-making practices (e.g. through social policy, environmental policy, etc.)"

Greg MacLeod

In answer to the question by Judith.. I think that policy should promote the survival of existing communities.... Small town -rural Canada is dying... thereby much social capital is being lost... government economic policy is a key factor here.

The dynamic is similar to the breakdown of the traditional native communities in Latin

America, they lose their economic base and moved to the anonymous city where they go to the slums.

Rod Dobell

But Greg--surely the important point about the global village is that the virtual networks do in many cases build tighter allegiances than do communities of place in some cases? That is perhaps part of the distinction between bonding within a tight personal community, and bridging through personal (but possibly virtual) relationships across communities. The links may be more abstract, and certainly different, but we also live in both a personal lifeworld and increasingly in some formal organizational world characterized by explicit institutional rules rather than personal norms of etiquette or conduct.

Peter Robinson

Tough question, Judith ... so this will no doubt be my last reply for today. I can only speak to organisations I work with at the moment - Mountain Equipment Co-op and the International Red Cross. Both these bodies embrace active internal and external dialogues. Both seek to find ways to ensure that the widest possible audience has a voice, and both have clear missions / mandates around what makes them successful.

So, let's dissect this:

1. A commitment to dialogue is key. That means the traditions of the organization must allow for discussions to occur - even if they are troubling or painful. Such traditions are built on the participation of all levels - not just those who sit in the comfy chairs.
 2. Widest possible audience goes to the notion that an organization should try to listen to all it's constituents - not just the most vocal. In the case of the Red Cross - this means finding active ways to "interview without witness" for prisoners of conflict or conscious. At MEC it means listening to the member who is really concerned that their fleece jacket might be manufactured in a sweatshop.
 3. And finally ... a clear idea of an organizations mission / mandate. If a business can feel clear and confident about what it is doing - it can also find a way to weave in the traditions of social capital we've talked about today.
-

Sheila van Wyck

Greg - not to mention First Nation communities in Canada - there are many, and many important, similarities in these processes. And community building in such contexts can be a challenge, even if there are considerable resources of social capital, which is not always the case...

Peter Clutterbuck

I think organizations within any of the three sectors identified in Judith's audience question could develop very effective social capital formation strategies for their own purposes. I think I have seen articles in the HBR recommending a social capital approach for private businesses. The real challenge it seems to me is whether the market sector, government and the third sector can establish a shared common vision for the "society we want" around which to fashion a joined social capital formation strategy.

Judith Maxwell

Okay panel, we are reaching the end of the dialogue. You have done a marvelous job. Can you please now post your last thoughts on social capital?

Rod Dobell

Fascinating questions, group--
Look forward to tomorrow's sorting things out more than we've managed so far.

Kevin T

Social Capital and Technology:
I'm interested in the link between technology and social capital.
I keep seeing this idea emerge in the discussion.

Technology can help to "link" common values and create communities. And, many of the teenagers have very elaborate online communities. But, do these communities always foster reciprocal behaviour?

What's missing to go from a community, bonded by common values, and the reciprocal behaviour required for social capital.

Judith Maxwell

At the risk of missing a lot of important content, I think we have agreed on the builders of social capital -- I listed them earlier.

We have also struggled with measurement -- what to measure: relationships/networks, trust, well-being, outcomes, volunteer hours, creating new

co-ops and charities.

There is more to do on that one.

The destroyers of social capital: television, dependency on outside economic forces, bad policy decisions (lack of respect for citizen voice), getting without giving (lack of reciprocity), and lack of voice in community affairs.

But there is more to do on this topic and we will carry on tomorrow. Same time, same station.

Thanks to the panel and to the audience for your great participation.

Au revoir. A demain a tous.

Sheila van Wyck

I think I would like to add a sense of shared history to what can build social capital, and conversely that the social capital may be destroyed by anything that successfully undermines a community's sense of shared history. Thank you for a very interesting discussion.

Dialogue - Day Two: Social Capital and Sustainable Development?

Judith Maxwell

Welcome everyone to Day 2 --

What is the relationship between social capital and sustainable development? Today, we will have two forums, one being the panel discussion and the other being the audience forum. We are still experimenting with enhancing our software, and at this stage, it does not allow us to link audience questions and comments with the panel discussion concurrently. Thus, we are in two separate forums, but we will be bringing your questions forward throughout the panel discussion. One of the outcomes of this project will be enhanced software to facilitate more open dialogues on the internet.

Yesterday, we had a rich discussion on the meaning of social capital, and several themes emerged--trust, networks (that facilitate collective action), good-will, voluntary chosen relationships, generalized reciprocity, interdependence, trust, appreciation, transparency and symmetry of meanings. But social capital can be both a positive and a negative social good, as some of you referenced the Hell's Angels and Nazism as examples of strong social capital, but in the negative sense. And we discussed whether compassion was integral to the term, with some arguing that it was unnecessary. But if social capital, and remember Herb Barbolet's point that

perhaps "capital" should be put in quotations, involves relationships, then by removing feelings, are we not simply reducing human relations to transactions?

Let's start today with Peter Robinson's definition of social "capital" as the accumulated good-will of a community. Is there a relationship between social capital and sustainable development and healthy communities? Or in other words, if a community has high social "capital" is that community more sustainable? And what role does diversity access to resources, and "shared meaning" play?

Rod Dobell

Sustainable development and social capital, now that we have struggled with the ill-defined (or undefinable) and highly contested notion of social capital, the moderator would like us to progress (?) to a discussion of the relationship between that concept and the equally ill-defined (or undefinable) and highly-contested notion of sustainable development. I wonder when we'll get on to the hard questions.

Seriously, though, yesterday's discussion did introduce a lot of the issues we might want to think about in trying to link the extent of social capital with success in pursuing sustainable development.

Peter Robinson's reference to 'goodwill' is really interesting because of the growing recognition of businesses that they have to find some way to understand this intangible corporate asset that appears on the books, but rests on ephemeral things like reputation, standing, trust and such. This intangible corporate asset presumably plays a big role in sustainable economic development.

Peter also raised the question whether it's a good thing that business increasingly adhere to the discourse of sustainable development, or the 'balanced scorecard'/'triple bottom line' rhetoric (most of which is well-anticipated in Ursula Franklin's wonderful Massey Lectures, published as *The Real World of Technology*). My view is that we will see increasing attention to socially responsible business and socially responsible investment, not necessarily because business is becoming (or can afford to be) inherently more altruistic, but because this route is simply part of the market reality for trade and commerce built on increasingly shared values and shared visions around the need to manage human activities in all respects for a lighter tread on this Earth. Which I suppose is what links us from social capital to sustainable development.

Judith made the important distinction, which I've argued is crucial in thinking about social capital, between the informal personal civil society and the formal civil society organizations that, together with state structures and corporate entities, make up the sphere in which most social decisions now are taken. A lot of the building of social

capital has to do with ensuring the legitimacy and acceptability of those decision processes. (In fact, maybe one could think of social capital as concerned with ensuring that everybody has a confident sense of—even a human right to—appropriate institutional vehicles to assure a personal voice in decisions that affect them, at whatever scale is necessary? This would be the social infrastructure needed to promote sustainable development, with policies robust in the face of uncertainty, and societies resilient in the face of the shocks of a globalizing world. (Remember that James mentioned the role of social capital in increasing the resilience (ability to rebound with undiminished ecological integrity from physical or economic shocks) of resource dependent communities confronting damaging economic structural adjustment.)

Which is maybe where Peter's insistence yesterday on the importance of a respectful hearing for all voices might take us as we move social capital on to sustainable development?

Peter Robinson

Rod ... thank you for the references to things I wrote yesterday. I think for today, however, I'm going to start off on a different tangent in response to Judith's delightful question - the relation between high social capital and sustainable development. Let's start with sustainable development. I came across an interesting "spin" on the conventional definition last week - something from Kofi Annan in a presentation to the London School of Economics. He said sustainable development is the ability of "people now living on the planet to improve their lives, not at the expense of future generations, but in a way which their children and grandchildren will benefit." What's different about this is the notion that one can both enrich one's life as well as ensure future generations don't experience a diminished result. Enriching one's life in this context might be in the very area of "social capital" development we discussed yesterday.

In this context - high social capital (accumulated good-will) would correlate nicely with sustainable development and healthy communities. Pragmatically - I see this happening in the business community. Ironically, I see it diminished in the public sector. This leads me to the observation that the future of social capital development is NOT in the public sphere. Comments?

James Tansey

Focusing on Judith's question:

'If a community has high social "capital" is that community more sustainable?'

'Don't even ask the question' would be my response. All we will produce in this discussion is more ambiguity.

The discussion yesterday was very rich, but the weakness was that we kept collapsing a whole range of complex dynamics into the rather nebulous concept of social capital. The biggest problem is the tendency to assume that the presence of strong interpersonal ties among members of a group with necessarily results in positive outcomes. The strongest criticism of social capital in the literature has been of this tendency. Crime cartels have strong linkages but produce negative outcomes for everyone except themselves.

Sustainable development is an equally nebulous concept but I assume that we are interested in the communitarian elements of the discourse. The argument suggests that stronger community leads to better environmental management and allows people to lead happier lives. It suffers from the same critical problem as social capital and in fact the problems are worse. What evidence do we have that stronger community leads to better environmental management. I can think of many cases where the opposite is likely. Strong social capital allows individual behaviour to be coordinated to a variety of ends and some of these--for instance, collaborating to divert water courses as occurred in a Vietnamese example-- result in environmental degradation.

Herb Barbolet

I'm sure there is a relationship, but I'm not interested in seeing sustainable communities built with high social capital that band together when a neighbour is in trouble, but can ignore hundreds of thousands dying in Africa.

Rod Dobell

Herb--This question of how broadly we can cast the bounds of our community seems to me to be key question to confront as we look at the significance of social capital in a diverse world (as the moderator asks us to do.)

Havi Echenberg

Do we mean sustainable communities in the sense of physical ecological sustainability, or in the sense of longevity and endurance of communities?

Judith Maxwell

Rod, you have given us a great start.

Panel, can you explore this question of the legitimacy of decision processes -- Does this apply to both the informal and the formal decision processes?

Peter Robinson

Good question ... what legitimizes decision making. I think we like to think that under the umbrella of social capital that individual input into the process is what legitimizes it. I'm concerned, however, that majority decision making often comes at the expense of minority rights.

Havi Echenberg

I'd suggest that the only way to create compassion in communities, even ones with high levels of social capital, about distant communities, is to open up international decision-making to more engagement.

Judith Maxwell

We have a lot to chew on here. Let's see where the panel members take us next.

Havi Echenberg

If I think I have some influence over what happens in Africa, I would be more inclined to consider it as part of my community.

Herb Barbolet

Rod: It's not so much how broad the community is, it's what the mind-set of that community is. As we spoke about yesterday, social capital has positive and negative aspects in seeking sustainable development, I believe that we need to put our energies toward building communities that have a connection to their immediate physical locale but maintain a positive global sensibility.

Rod Dobell

How far can we realistically hope for shared meaning in the face of deep diversity "in the borderlands where cultures edge each other"? (A reward for anybody who can help me remember who I'm quoting.)

Judith Maxwell

In community capacity building, people find shared meaning in making the basics

work better.

In 123 GO in Montreal, this often revolved around feeding the children. Adults who never spoke to each other could mobilize around this shared goal.

Herb Barbolet

Creating social capital requires shared understanding and time. Both have been severely eroded especially in highly developed countries and in this age of instant gratification.

Havi Echenberg

I'd argue that the depth of diversity is based on how "foreign" the other culture is. I recognize that cultural relativity has its limits, but I think the borders get blurred when the terrain is somewhat less forbidding, when we have a sense of what to expect... so tolerance for diversity might result from social capital, but social capital could be created through exposure to diverse cultures.

Rod Dobell

Okay, then, back to the business of sustainable development...I'd argue that the state sphere, the business sphere and the civil society sphere are converging in the ways that they think about pursuing sustainable development (for reasons of intergenerational equity in part), and they are all, one way or other, thinking of social, cultural and institutional capital as resources that help in organizing human activity so as to ensure adequate stewardship of natural capital.

Peter Robinson

James - I agree that "strong communities" as you have illustrated them can also cause negative repercussions. Perhaps, though, the definition of sustainability needs to ensure not just an assurance that future generations will not experience an eroded quality of life - but current generations that are part of another community. If we expand the definition to be take the time element out - then we're left with something that says decisions / actions on the part of one party / generation must be undertaken in such a fashion as not to impede other parties / generations.

By the way, we could come up with a list of "strong communities" that benefitted the public good - similar to examples of those who eroded it. I wouldn't use this as case to reject the notion of creating robust communities - just that they have to be responsible.

James Tansey

Peter, it would certainly help to move beyond the rhetoric of social capital to compile examples of strong communities that have generated positive outcomes. What we would find is that there is a lot more behind these outcomes than strong ties among the members of the community. A useful elaboration on the idea of social capital is to think about the resilience of social groups. A group with strong shared identity will likely allow individuals to rely on one another for support but that may not be sufficient to allow for resilience. I am currently looking at forestry communities on the island that have higher levels of social interaction than the Canadian average. The question is 'What would make these communities resilient to external shocks?'. If by sustainability we are asking what will make these communities endure these shocks then I think we are getting into some interesting terrain.

Judith Maxwell

An interesting question from the audience related to institutional capacities, "I wonder if the panel might begin to address how they would propose to make social capital a normative and routine feature of organizations - since large-scale organizations (public, private, and third sector) still remain the central player in substantive and collective decision-making practices (e.g. through social policy, environmental policy, etc.)"

Havi Echenberg

If the question is how organizations can routinely help to create social capital, then I'd suggest it's by being more inclusive with its stakeholders, defined widely.

Rod Dobell

I wonder if this last question from Judith (passing on audience question) is the right way to pose the question. Organizations may be in a position to draw on a large stock (high levels) of social capital in order to pursue their objectives. Given what we've said before, they can maintain this social capital by assuring legitimate procedures, respectful discourse, reasonable vehicles for the voices of those affected by decisions (and presumably ultimately some convergence to either consensus or a decision, perceived as legitimate, in the absence of consequence)?

Havi Echenberg

To elaborate, if governments were involving citizens in the setting of policy agendas,

as well as in responding to government initiatives, there would be more social capital created in the process. If businesses engaged its consumers in determining future products and services, for example, in some fashion other than by watching consumption patterns, social capital might be created. And, in both cases, if the organizations allowed the stakeholders to discuss these things with each other, then social capital is a byproduct.

Judith Maxwell

And another related question from our audience, "What are the barriers, as you see them, to implementing elements of the social imperative (i.e. social capital) into mainstream policy?"

Peter Robinson

Barriers to social capital entering mainstream policies? Self-interest for one. However, as I wrote a few messages ago - I think it's increasingly self-interest in the political sphere which is most damaging. And nothing new here ... we've argued that enterprises (i.e., elected governments) who work in short time horizons are part of a system that cannot view the long-term development of social capital or sustainable development.

Herb Barbolet

Re: Barriers - The better large-scale organizations are at including the larger community, the greater are the time and resource demands on those of us who wish to participate in the democratic process.

Havi Echenberg

Another barrier to making social capital part of mainstream policy making is a perplexing one: if we believe representative democracy works, then what is the role of the democratically elected decision maker compared to the views of interested citizens? Should elected leaders give up control of policy direction to a wider social engagement approach?

Rod Dobell

I don't understand the idea of social capital as a social imperative. Social capital is a feature of the society. Fairness may be a social imperative, and a tradition of fairness in procedure may build social capital that helps to achieve other social goals. But

social capital is an instrumental resource, not a goal or an imperative. Yes?

James Tansey

Rod, that is a nice way of putting it. Social capital is instrumental and may be used to a number of ends. Fairness is one of many social imperatives.

Peter Robinson

A quick comment on Havi's note that businesses need to determine future products and services other than by watching consumption patterns - I'm not so sure the consumer is the best judge of what to produce.

Let's use the business I'm in as an example. Mountain Equipment Co-op regularly dialogues with members to determine their wants and needs - a lot of which don't fit the bookends of what the co-op feels comfortable with. Yeah ... we could sell lots of stuff if we did so - but we'd lose our core purpose in the process.

Judith Maxwell

To pursue the question of social capital in large organizations, so far the panel has Suggested:

- a. greater involvement with stakeholders, which demands more time from the stakeholders but gives them voice
- b. greater use of social networks as in Emilia Romagna.

Can we add more to the list?

Havi Echenberg

Intentionally seeking diversity inside large organizations, including through such strategies as employment equity, assists in building social capital, I think, both inside the organization and more widely outside the community as well.

Peter Robinson

Judith ... to your list I would add public reporting. Having the courage to report on social capitals can no doubt leave an organization (business, government, NGO, etc.) open to scrutiny - but it's a vital way to get through the propaganda.

Judith Maxwell

Thanks Peter. We should also add seeking diversity within the organization, as well as your idea of public reporting.

Good public reporting gives legitimacy and strengthens trust.

Greg MacLeod

[My apologies, this is my contribution from an airport and will be the only one for the day.] It almost seems that financial capital and social capital are inversely related. The poorest communities are in small town rural Canada and they seem to be richest in social capital.. voluntary relationships.. mutual help groups etc.

Canada is the most urbanized country in the world. Most of the population is in 4 huge, growing centers. I believe that the disadvantage of being poor in communities with high degrees of social capital can become an advantage.

It is possible that the tools of the new economy could help convert such social capital into financial- business capital. However, conventional corporate structures are not adequate... Such structures refuse relationships to any particular society..... they thrive on being self- enclosed systems that are neutral... that do not depend on any society.. .they are place-neutral.. they are the opposite of what we talk about in social capital. I promote the idea of community based corporate structures that are linked to a local community, that build on the social capital that is already there. There are enormous amounts of loyalty, social cohesion and commitment in the poorer communities of Canada. The challenge is to link the technological tools of the Information Economy to the needs of the marginalized societies.

I do not believe that the modern detached corporate forms can last.. There will be more Enrons.. These forms destroy social capital... shutting down branch plants.. impervious to social needs, and ecological needs.. etc..

It is possible to build on social capital and be globally successful.. The empirical cases are Mondragon Corp with 12 billion in annual sales and the complexes in Emilia Romagna. Italy.. using flexible manufacturing networks which depend on social links. this is not airy fairy dreamy thinking... it is possible to do real successful business and still have social improvement as the basic corporate mission.. This is heresy in the corporate religion.... but the facts of society will tell us which approach best helps society to survive in the long run.

We must begin to build new types of corporate structures that reinforce social capital...

Judith Maxwell

Peter, do you want to respond to Greg?

Havi Echenberg

Is converting social capital into financial/business capital a good thing? Is this part of what Jeremy Rifkin was talking about when he wrote about access being more important than ownership, and access becoming commodified?

Rod Dobell

Oh, wow, Peter--we're losing consumer sovereignty along with Canadian sovereignty? Both economists and poli sci folks will be losing their professional reason for being.

Herb Barbolet

Are people aware of Dr. John Milar's report on Social Determinants of Health and Well-being? In it, he argues that the 2 overwhelming indicators of whether a community is healthy is the narrowness of the gap between the richest and the poorest, and the degree to which people feel they have control over their decisions that affect their lives.

Havi Echenberg

Herb, I've heard low-income people define poverty as the lack of choices in their lives, linking both aspects of what you described.

Judith Maxwell

Any thoughts on Havi's question about linking social capital to financial capital? If we want legitimate institutions and legitimate processes, do we need these links?

Peter Robinson

Greg has raised an interesting point ... he argues that financial capital and social capital are inversely related. However, my view is totally opposite - I believe that robust business who wish the creation of robust financial capital have to also show robust social capital. I'm seeing the intersection of these two capitals increasing day-

by-day, and in fact ... social capital should show up in a positive way on the corporations bottom line.

Let's use Nike as an example. They were roasted for sourcing practices in lesser-developed nations. They've realized that such negative criticisms impact on their bottom line - and now have one of the better sourcing policies in the world. I know because we're trying to learn from them how to improve our own practices.

Herb Barbolet

Peter: with Nike, I think you've reached a crux of a problem. Transnational corporations can be seen to be responding to community concerns and turn this to their PR advantage, while continuing to homogenize the world and destroy communities elsewhere.

I assume that those who think "Coke is the real thing" have difficulty with real understanding and communication necessary to build SC.

Peter Robinson

Herb - I think your question is about whether Nike is engaged in "greenwashing"? But let's check this for a second - if a company changes its business practices - and capitalizes on the results in the process - is that such a bad thing?

Okay, it might be a rhetorical question, but I think Rod captured the answer nicely. Companies that "do the right thing" are increasingly rewarded by their shareholders. The rest of us should probably celebrate that.

To take it back to sustainable development - if business practices around recycling, energy efficiency and clear sourcing practices become part of the way we do business - then we've added to the health of the community.

Havi Echenberg

Peter, did the criticism emerge from isolated individuals, or from people who were somehow linked?

Rod Dobell

I'm sorry, I don't understand this question of converting social capital to financial capital either. If a firm has such a strong reputation or such great customer loyalty that its going concern value is way bigger than any valuation of its tangible assets, that shows up as goodwill on the books, and represents a financial asset for

shareholders. We'd like to think it also reflects a high level of social capital evident in dealings with employees, customers, neighbours and all the other stakeholders. I don't see any problem with this.

Rod Dobell

So I'm with Peter on this one.

Rod Dobell

By the way, John Millar's report as Provincial Health Officer was instrumental in focusing attention on the outrageous disparities between conditions on reserves and more generally in Northern BC, and the Lower Mainland in BC. His focus on socioeconomic determinants of health really initiated wide debate here about the importance of inequality (and sense of control/coping) rather than simply levels of poverty.

Judith Maxwell

Yes, Rod. In the literature, this is referred to as neighbourhood effects. It is much harder for disadvantaged people to build a life, let alone build networks when they are surrounded by people facing similar disadvantages. For example, low income children in high income neighbourhoods (or schools) do much better than those who are in low income settings.

Judith Maxwell

Havi, you raised an interesting point about poverty. Is social capital affected by access to other resources? Is social capital dependent upon strong ecological capital?

Peter Robinson

Judith ... I think it might be that ecological capital is dependent on high social capital. There's a reason why strong environmental programs occur in more developed nations - these are the nations with the networks, education and financial resources necessary to ensure the integrity of environmental systems.

Rod Dobell

Judith, isn't the relationship more likely the other way 'round--maintaining stocks of ecological capital and ecosystem integrity is likely to hinge on (or at least be easier to achieve in the presence of) high levels of social capital?

Herb Barbolet

Havi's linking of lack of income disparity with feelings of personal power is excellent. Can we explore this further?

Judith Maxwell

Herb, the point was the wide disparities, with people at the low end feeling their lives are out of control and they have no choices. I agree this point is central -- let's pursue

Havi Echenberg

Low-income communities often build social capital out of necessity -- reciprocal services that others might buy. But poor people don't aspire to more social capital; they aspire to being able to buy the same services with their own income.

James Tansey

Peter, I had a very interesting conversation with an MEC staff person about the kind of relationship that the co-op would like to have with its members/customers. It struck me that the kind of relationship implied by a co-op is exactly like the kind of brand loyalty that for profit organisations are struggling to cultivate. MEC holds a steady hand on the tiller around some of the core values of the organisation such as 'self-propelled activities' and my from the recent consultation I attended in Vancouver, you seem to be expanding that to include sourcing and production policies. So the co-op may be able to expand and to become more successful precisely because of the higher social capital involved in the member relationship.

The question is 'Do MEC customers feel different when they buy things from you rather than from Sport Chek?' If they do, then you have a different form of engagement that might be described as higher social capital.

Peter Robinson

James ... yes MEC members feel differently. We have a metric arrived at through 3rd

party polling that says 70% of our members come to the co-op because of the values of the organization.

So ... I guess we're trying to add to the bank of social capital and sustainability - and that's why I'm arguing today that businesses in general are increasingly doing this. But there's another thread in this dialogue about poverty which businesses like MEC are clearly ignoring. It's just not in their sphere of interest.

Rod Dobell

Peter, don't feel guilty. People and societies create different institutions to address different problems. As great an organization as MEC is, it may not be a very effective institutional structure for curing the poverty problem, or the inequality problem, or even a deficiency of social capital. I think maybe one of our problems with our approach to some organizations is that we want them to address all social problems themselves.

Rod Dobell

The point about the importance of social capital in societies where there isn't the purchasing power to do everything through market transactions raises some fascinating questions about our social inability to see resources in other than market terms. If the big bad government finds that some urgency around disappearing natural capital necessitates closing down a mill, the holders of financial capital are compensated. The owners of human capital and social capital (and all the other non-physical, non-financial capitals) are not. Nor are they when the firm decides that disappearing markets necessitate closing down the plant. Interesting schizophrenia.

Herb Barbolet

I would argue that transnational corporations changing their business practices to satisfy middle class, largely white, urban, North American sensibilities is not equated with doing the right thing. What is the impact on the social capital of the countries in which they're operating in terms of all of the things we are defining as positive?

Judith Maxwell

Good point, Herb, I think you are asking Peter if Nike's change in business practices created any benefits for the producers in developing countries. What do we know about that?

Havi Echenberg

Uh-oh.. I'm agreeing with Rod again! (just kidding)

The one compelling reason I can think of to measure social outcomes, including social capital gains and losses, is to have them taken into account in quantified decision-making.

Peter Robinson

Rod ... a quick comment about your reference to purchasing power and market transactions. Having worked in Rwanda for six months - where the formal market is very weak - my observation is that the informal economy is vibrant. So - informal economies in areas of high poverty (as defined by whom?) may have high social capital quotients.

Correspondingly - they might also have very low environmental capital balances.

Havi Echenberg

If MEC took into account the impacts of its decisions on social capital in other communities -- whether low-income communities at home, or communities that are based on employment to produce its goods, would that not be a good thing?

Herb Barbolet

I think you made my point, Judith. Nike has made craftspeople, artisans, citizens into producers and producers not only for western markets, but producers that displace indigenous practical and useful and culturally appropriate articles with what they western advertising colossus deemed "acceptable."

This also relates to your comment about a poor child in a rich school doing better. This may help individuals, but doesn't build community in those poor schools anymore than does creaming the elite professionals from 3rd world countries for our benefit.

James Tansey

Peter, the trouble with sustainable development is that even when you are on the cutting edge, as I would argue MEC is, you will still be criticised for something. Not fixing poverty is one of the usual candidates.

Well nobody is very good at fixing poverty and I would argue that this is for a number of reasons. First it is a moving target if we measure it in terms of inequity. For instance, if everyone in the population remains at the same level of income and the top ten percent get ten times richer then inequity has increased. Second, we tend to focus on income measures when the real issues may be security and agency (i.e. do you control your own life). Surely it is still possible to have a low income and to be happy. Thirdly, we just measure the wrong things. This is a deeper philosophical question about whether we should be aiming to make people happy, as though that was the holy grail of our existences. The work Helliwell has done using this crude measure does not show a strong relationship between income and self reported measures of well being.

Finally, and perhaps most importantly, problems that take a long time to create take a long time to solve, even for the agencies that have as part of their legitimate goals the task of reducing poverty. In the west it is a multi generational and habitual problem that is never solved within electoral cycles. If MEC was to get involved it might be in setting up a clothes bank for used MEC products; initiatives that are close to your competence. But you would have no more success addressing poverty that you would diversifying into wedding wear.

Peter Robinson

Well ... I've got enough input on MEC to last me a week now. This is better than hiring a polling group!

Seriously, I want to address Herb's point about Nike - or more broadly, the impact of large corporations going into the third world. Do they displace and erode indigenous industry? Do they erode traditions?

When I talk to social activists who work in such markets - they say that investing in the developing nations is incredibly important. It allows an individual who might work in such a facility / factory / enterprise to develop a skill, earn a high (a relative term - but it's higher than the local standard) wage. The alternative is that the disparity is too wide - and results in economic migration around the globe. Economic migrants are an incredibly vulnerable population!

Judith Maxwell

I know I must sound like the old lady with the lists, but here is what I have so far for the barriers to social capital and to sustainable development. Are these all applicable to both?

Self interested politics
Short policy time frames

Income inequality
Lack of control over life
Lack of diversity
Lack of ecological capital
What do you think?

Judith Maxwell

Does social capital build only in response to crisis or the perception of a crisis, that is, saving a particular species, not siting a waste dump?

Havi Echenberg

I think social capital builds in response to any common endeavour among those who did not otherwise know and trust each other. It might be building a new community centre, or developing a performing arts company -- not crises, but still common endeavours.

Judith Maxwell

And Havi raises an interesting point, maybe we should enlarge our concept of what constitutes community?

Peter Robinson

Judith ... a very good point. Maybe social capital IS created in response to some crisis or problem. It sure seems that way in the developed world. However, if social capital is also measured by the gradual accumulation of good-will within a community based on tradition, common interest, kinship, etc. ... that would be something else. I would argue that the creation of social capital is both pushed and pulled along.

Rod Dobell

Surely social capital builds through an orderly deliberative process to seek consensus around a siting decision, among other ways. And it would be nice if MEC could take into account all the impacts not signalled through prices (that is, all the externalities) arising from its decisions. And that's one reason for arguing for consultative processes and exchange of information outside of (beyond) the genius of the market. But realistically, it's pretty hard to imagine getting all the info on all the impacts into anybody's decision processes (which is why comprehensive environmental

assessments go on for decades, I guess).

Judith Maxwell

Another question from our audience, "what are the links between social capital and civil society?"

Havi Echenberg

A healthy civil society, I'd argue, both requires social capital and contributes to it, assuming again that it's doing more than creating collectivities that pursue narrow self-interest at the expense of others.

Rod Dobell

Tightest link I can think of is that civil soc, social cap and sustainable development are all words that make us feel warm all over.

Peter Robinson

Rod's on to something that I've been pondering over the last two days. We've used so many terms that are virtually interchangeable that I'm concerned we've eroded their meanings. One of the outcomes from this dialogue might be to get some clarity down the road?

Rod Dobell

Seriously, though, building bridging and linking social capital within the formal civil society organizations seems to be an important complement to building bonding social capital in informal civil society and in communities of place.

Herb Barbolet

Regarding Social Capital and Civil Society...

One of the most successful new movements is called Slow Food. It started in Italy. Its premise is that countering the effects of the fast food society by re-localizing food from production through putting food on our table creates health, appropriate economic vitality and well-being.

The movement now has over 100,000 members worldwide and is growing rapidly.

Judith Maxwell

And now for something completely different, another question from the audience, "To what degree is a concept like social capital vulnerable to political ideology? Would a Conservative see it differently than a Liberal?"

Havi Echenberg

On the question of ideology.. it seems very likely to me that different ideologies would imagine different applications for social capital. And some would see it as a "good thing", and others would see it as dangerous, including to their own power.

Judith Maxwell

Well, colleagues, our time is winding down, and it is time for your last comments. You have done a great job of exploring ways for large organizations to make building social capital part of the routine.

You have decided, for the most part, that building social capital and financial capital are mutually reinforcing, and help to create legitimacy for decisions. You have established a lot of milestones/barriers on the road to building both social capital and sustainable development, and I might add to creating more legitimate processes.

We have not really dealt with the income inequality issue. But James is right to point out how deeply entrenched it is.

And we have struggled with the global-local linkages and our sense of responsibility for people in developing countries. But Peter's stories about Nike encourage us to be optimistic that there are synergies or positive feedbacks here as well.

So, what are your parting thoughts, panel? Do you want to pursue the question about political ideology?

Rod Dobell

A good objective and disinterested Liberal economist student of social capital would not see it any differently from her Conservative counterpart. But she might well weight its value and significance in social organization differently. Depending whether you think we are better served by competitive economic mechanisms oriented toward transactions, or cooperative social institutions oriented toward relationships, you could assess the significance of social capital very differently.

Peter Robinson

Social capital and ideology? Hmm ... I'm hoping that social capital exists outside of the political realm. But of course, political ideology can also enhance and / or erode social capital. If a particular government runs up against a fiscal crisis - no doubt they can help to decrease social capital through policies that cut programs or put people on the street. So - yes, there is a link between social capital and ideology - at least in the arena of political action.

Havi Echenberg

Rod, I thought we'd agreed that there were more likely to be individual transactions if there were stronger relationships.

Herb Barbolet

The cost of providing clean, safe water to the third world is arguably less expensive than the amount of money currently invested in biotechnology - which has no proven long term benefits. However, large corporations have not found a way of making windfall profits from providing for basic human needs.

Judith Maxwell

Talking about relationships, here is an interesting observation from one of the audience, "I like to use His Holiness the Dalai Lama's description of spirituality as being concerned with qualities of the human spirit - compassion, love, tolerance, contentment, a sense of responsibility - that bring happiness to self and others. (in contrast to religion, which is concerned with faith traditions, ritual and prayer). It seems to me that the spiritual aspects are the essence of the 'glue' that creates social capital - that helps develop the trust relationships that are the key social element of social capital.

I'd say the spiritual 'glue', plus physical components that permit connectivity are 2 key components of social capital.

Greg MacLeod

I find that people are using the word social capital in different senses.. It is not simply a relationship as when NIKE buys products from a foreign country.... that is a

business relationship.. client customer supplier I think of stable relationships that last over a period of time and geographically stable.. I see this as a contrast to corporate and worker mobility... in that system there is no permanent relation.

Rod Dobell

I'm sorry to be finishing up so crassly, but spirituality is a good thing and social capital is a good thing, but neither is essential to the other.

Judith Maxwell

Thank you everyone for a great discussion. Panel and audience. You sent us some great questions!

It is time to sign off for day, but there us another dialogue tomorrow. See you all tomorrow. Same time and same station. A bientot.

Dialogue - Day Three: Who Can Build or Destroy Social Capital?

Judith Maxwell

First, to summarize some of our previous two days of discussion. On Day 1, we looked at "what is social capital?" and over the last two days it is clear our ideas may be supported by different paradigms. We will be working today to clarify each of our perspectives. Furthermore, on the first day we identified some of the key elements that can build or destroy social capital. We identified factors such as trust, respect, participation, appreciation, good will, common goals, reciprocity, interdependence, common needs, empathy, transparency, as well as symmetry of meaning. Factors destroying social capital include self-interest, oppression, dependency on outside economic forces, bad policy decisions (lack of respect for citizen voice), lack of reciprocity, lack of voice in community affairs. We also discussed the impact of fear, crisis, and technology (television, computers).

Yesterday, several themes emerged in our discussion of social capital and sustainable development, including the importance of dialogue and shared meanings in a diverse world, engagement and the role it plays in defining our sense of "community", access and inclusivity with regards to decision-making processes and the resulting legitimization of such processes, as well as time. One focus became the relationship between social capital and financial capital, with panelists agreeing for the most part that these seem to be mutually reinforcing. In conclusion, we returned to the idea of relationship, focusing on large organizations and its clients/community and how organizations are and might be able to make building social capital part of business practice.

I would like to suggest that we keep Etzionni's observation that we have lost "shared understanding", and that healthy communities engage in moral dialogues from which shared understanding arises with behavioural changes and self-controlled behaviour in the back of our minds for today's discussion.

We have had a number of requests from the audience to talk about the links between social, ecological and economic 'capitals'. I would like to start today's discussion with each of you clarifying your understanding of social capital and its relationship to the other capitals.

Herb Barbolet

The link between Social Capital, Economic Capital and Ecological Capital
A key element of building and managing capital of any sort is clarity of purpose. It is easiest to achieve clarity of purpose in the economic realm. That might be one reason why it has come to dominate all else.

Clarity of purpose, in part, rests on logical and critical thinking and the ability to communicate thoughts and feelings.

If we are trying to communicate with clarity and precision then we need employ critical thinking and recapture the pleasure, delight, force and discipline of using the King's English to the fullest extent to which we are capable.

Um, well, like you know, has replaced the discipline of finding the right word out of the more than 450,000 available to us.

It takes time and care to think out a problem. It takes time and care to build a common vocabulary. And, it takes time and care to build the social capital thingy.

Rod Dobell

I'd argue that there are no necessary relationships among the stocks of the various tangible physical resources—the produced means of production—and stocks of natural capital, or among the stocks of intangible social resources—like social or cultural capital. Having fuller stocks of social resources enables us in principle to do a more ingenious, more responsible job of managing human activities at the margins where our human (socio-economic) activities impinge upon and possibly compromise the networks and functioning of the natural systems. By being more ingenious we might be able to manage human activity so well that we sustain the functioning of those systems into the future.

So you might argue that the mechanisms of the economic system are nested within

the larger socio-cultural institutions (including formal political or organizational institutions) of the human system, and that the human systems themselves make up what is strictly a subsystem of the natural systems within whose (largely non-discretionary) dynamics we must subsist. The main task of the various social and cultural capitals might then be seen (given the present scale of human numbers and industrial impacts) to be to manage human activities at the margins with the natural system in such a way as not to destroy the systems features on which life depends. That's a serious relationship. Let's hope it's sustainable.

Greg MacLeod

Social Capital is generally defined as the relationships, networks and norms that facilitate collective action. " (p. 6 ISUMA)

First I think we should use ordinary language, non-academic definitions.
Minimum agreement: It refers to relationships between people. Which of these do we agree on?

1. They include only voluntary, non-paid relationships...so not paid employment.
2. Excludes commercial buying and selling relationships
3. Requires face to face relationship
4. may be institutionalized as a club, or non institutionalized - neighbourliness

As Judith said... "there is a physical component to relations but it is the spiritual that makes the glue." I take spiritual in a wide sense of intention and attitude.
I claim that we should design business structures that reinforce social capital.
Doing business at a distance is an enormous problem for those wishing to enhance social capital. Thus we promote local ownership as a counterweight to the global.

Havi Echenberg

I'd suggest that social capital supports the creation of ecological capital, in that the awareness of our interdependence contributes to the preservation and restoration of ecological capital, and that some degree of social capital is necessary to the formation and operation of markets, which are in turn necessary to the creation and growth of financial capital.

Rod Dobell

I'd have to ask for some amendment to Greg's principles.

1. I wouldn't want to exclude virtual relationships.
2. Not sure that social capital can't be built through an accumulating tradition of commercial activity.

James Tansey

To a degree, this is the discussion coming full circle. When Bourdieu first defined social capital, it was in the context of a range of other sources of capital. I don't have Bourdieu's full typology in front of me, but he recognised that there are functional similarities between forms of capital but that there is something to be said for creating distinction.

Havi Echenberg

I'm making a habit of agreeing with Rod... hmmm...
I'd argue that virtual relationships build social capital, too.

Havi Echenberg

Herb, do you think there is any greater clarity of purpose than that shared by parents working to save an arts program, for example, in their local school? Not the economic realm, but very clear.

Rod Dobell

I'm encouraged by all this, Havi.

Not sure about Bourdieu, but the Dobell typology (below) would argue for seeing social capital as among a whole range of accumulating human conventions and norms about working together, and ecological capital as among a whole range of stocks governed by 'real systems' 'out there', not just a social construct, if I may venture into such territory.

Herb Barbolet

Sorry, Havi, I'm not clear on your question.

Greg MacLeod

Remember that social capital like other capital is a more or less. It can be reduced or increased..I think all societies have some social capital.. more or less.

Havi Echenberg

Herb, you talked about clarify of purpose being clearest in the economic realm; I was asking whether you didn't think that clarity can exist in other realms, my example being the protection of an arts program in a local school building social capital among parents.

Herb Barbolet

Havi: Yes, absolutely! But, that type of clarity in areas outside of the economic seem to be achievable only at very basic levels or single purpose issues. For understanding of larger systems, it seems that none match the artificially presumed comprehension of economics.

Herb Barbolet

It seems like this has been good bridge-building. It might be time to move onto another question.

Judith Maxwell

I think we all agree that face to face is important, but I think there is a strong case to say that virtual can reinforce, supplement, and perhaps initiate. We may need both in the world we are entering. What do you think?

Havi Echenberg

Having been involved in virtual communities for more than ten years now, I have personal experience, and know that social capital can be built in shared "virtual" space as it is in shared physical space. It's happened in professional communities of interest, recreational communities of interest, and among those who share the same rare disease, for example.

Greg MacLeod

Remembering Orwell, I believe in paper publications as I believe in the importance of physical enduring communities in one place. It is good for some people to leave and new ones to come.. but I think it extremely important to keep continuity.. For instance I am uncomfortable with resettlement of indigenous people.

Herb Barbolet

We have been able to contribute to building some significant movements using virtual technology, there always comes a time when it's critical to have face to face meetings in order to maintain and build trust and especially to expand the universe of people involved in the movement.

Rod Dobell

What can I say? I agree with Havi (and the others) on this one. I'm not even sure that in the end the face-to-face encounter is essential, though obviously the linking character of the virtual remains somewhat different from the bonding character that might be built face-wise as they say.

Greg MacLeod

I am throwing out an hypothesis that groups who have been together in the one place for a longer period tend to have a higher level of social capital???

Rod Dobell

The literature on high-context societies (Hall and all) might support Greg on the effect of longer association. So might the literature on epistemic communities (Haas and all).

Herb Barbolet

If, as often stated, body language constitutes the vast majority of communications, and if humans still are social animals, then fact-to-face encounters are in fact essential.

Judith Maxwell

So far, I see a consensus emerging that you can't have virtual without face to face. But you can have face to face without virtual. An asymmetrical relationship. Next question: panel.

Yesterday we talked about business and social capital. Today, I would like you to talk about governments and social capital.

First question: Can governments destroy social capital? If so, give us some

examples.

Havi Echenberg

Governments have destroyed social capital. Examples have been the persistence of relocating the youth of northern and isolated communities southward for their secondary and/or post-secondary education. Another example was the physical elimination of "slums" in the 1960s, in the name of urban renewal.

Greg MacLeod

The biggest example for me is the resettlement programs for Newfoundlanders, first nations and a number of other groups.

Peter Robinson

I'm joining the discussion late today - but will enter with a point about governments destroying social capital. Yesterday we briefly touched on the short time-horizons that government work to, which would appear to directly contradict one of the key elements of developing the "intangible asset" of social capital - namely that it takes time, trust and a history of reciprocity.

Perhaps we could also add to this the problem in constituencies that have regular ideological changes. The "doing" and "undoing" of policies has a dreadful effect on what we're now referring to as social capital. It erodes trust and undoes a carefully built up network of reciprocal actions. The matter is compounded if the very bulwark of the state - namely a skilled and neutral civil service - is also politicized.

Rod Dobell

Governments destroy social capital by pitting groups against one another through arbitrary action that does not appear to offer opportunity for voice for those affected or consensus-building amongst those interested.

Havi Echenberg

More subtle forms of destruction of social capital may include sins of omission more than commission: the gradual physical degradation of community facilities or urban infrastructure, the failure to support cultural activities in a particular community are examples of this kind of more insidious destruction.

Herb Barbolet

Yes, governments can destroy social capital. The BC government's referendum on native land claims is one example. The federal government's refusal to require labelling of genetically-modified foods, despite 95% of the public being in favour of it, is another.

Rod Dobell

Peter-- Right on. Exactly right. Gee, now I'm agreeing too much with two people.

Judith Maxwell

Peter, I can give you an example of governments doing and undoing. In Nova Scotia, the government recently decided to reduce the number of regional health authorities from 8 to 4 (not sure of the numbers). One manager told me "we were just getting the systems and the people to start working together so we can give good service to people, and now we have to take it apart and rebuild a new set of networks."

Greg MacLeod

Just as plants are different, communities are different. I find that technocratic governments cannot differentiate.. usually there is one programme for all even though the problems are very different. It is extremely difficult but I would like more custom made programmes for different groups or sorts of communities

Peter Robinson

Rod ... I'm wondering if you're referring to "western" governments here. In a constituency that does not operate on the basis of first-past-the-post system, where the structure of government is built on long tradition, would we see a difference in how it might destroy or erode social capital?
In other words, is really that governments destroy social capital - or government structures?

Havi Echenberg

Another local example.. the creation of community boards to oversee home care in Ontario a few years back have now been relieved of their responsibilities, as it's been euphemistically described.

Herb Barbolet

Government principles have long been "when in doubt, reorganize."

Rod Dobell

I hesitate to do it, but the comment about GMOs tempts me to raise the question about government's obligation, on the other side, to get to a decision in the absence of consensus (and perhaps to make that decision in line with some facts--dare I say 'sound science'?) despite the impressions of others involved. (I'll duck out now.)

James Tansey

I don't think we are going to get anywhere with the crude models of causality embodied in sentences like 'governments destroy social capital'. Social groups are not like machines that can be manufactured and pulled apart. There are examples-- Newfoundland communities around confederation for instance--where local social ties were weakened when government intervened with formal support programmes. There is lots of evidence that the welfare programmes create dependencies with distant arms of government. But lets not pretend that these communities were previously the vibrant hubs of social discourse that was trampled by the heavy boot of government. In lots of the these communities, household and extended family lived in relative isolation from one another. It's much too easy to use the rhetoric of social capital to beat up government with these kind of simple causal models. The truth is that the capacity of government institutions is typically very limited and if anything, the outside impersonal programme may reinforce community solidarity.

Judith Maxwell

This panel has built so much social capital that there is a lot of agreement! If we all agree that governments can destroy, perhaps we should move to my next question. Can governments increase social capital? How?

Peter Robinson

It appears we are aligned on this ... but perhaps the answer is self-evident. Let's go the idea of what happens when a government is manipulated by private business interests. I'll stress up front that I believe that businesses can evolve to something more reflective of a sustainable "capitals" model - but the inertia to get there on the part of large organizations is overwhelming. So ... we're back to the notion of social

capital and scale - do small communities, small businesses, small government might have higher social capital quotients?

Herb Barbolet

Peter: I absolutely agree that scale is one of the critical components of a successful application of social capital. It's funny how I keep getting back to decades ago and people like Schumacher, Illich, and others spoke of issues of home or place and conviviality.

Havi Echenberg

We keep bumping up against social capital as being undermined by democratic, representative government of the western variety. Yet social capital is surely a contributor to the durability of government structures?

Herb Barbolet

One school of political economy postulates that government has but two functions: one is to assist in the accumulation of capital, the other is to provide social control mechanisms for those who don't benefit from the first. The role social capital plays in those 2 instances would be quite different - one from the other. Do we wish to explore this possibility?

Rod Dobell

I'd claim that the BC NDP government's efforts, through CORE and otherwise, to enter into consultation on land use and end the 'war in the woods' is a good example of governments building social capital (but subject to all the caveats implicit in my last message).

Greg MacLeod

Yes governments can support social capital.. example.. accepting the notion of seasonal work in small places .. fishing, tourism, etc. Most HRDC rules were based on industrial models.. as much as possible help people to live the way they want to live.

Peter Robinson

Can governments create social capital? Well, of course - just like they can destroy it. Perhaps the question is can they preserve it?

Judith Maxwell

Let's all pick up on Herb's question, is it the role of government to assist in the accumulation of capital or to try and provide mechanisms for its equitable distribution?

Rod Dobell

Great question, Herb. I wonder whether one could argue that social capital is less important for accumulation, and more important for distribution decisions, precisely because the market and self-interest incentives are stronger in the former, less evident in the latter.

Havi Echenberg

If Adam Smith were here, he'd say the markets would create the capital, and the state should deal with redistribution (without messing up the capital creation too much, of course). Are we all agreeing that Adam Smith was right?

Peter Robinson

Assist in the accumulation or mechanism for equitable distribution? Depends on your ideological framework. The business sector might say it should do neither - just ensure that peace and good government exist so that individuals and firms can create wealth (I use wealth here to also denote the various capitals we've discussed).

Rod Dobell

We all agree with Adam Smith, but only after we read his Theory of Moral Sentiments On the need for social and ethical norms and frames around the market.

Havi Echenberg

I can't just agree with Adam Smith. If we (collectively, through governments) do something to make capital accumulation more accessible to more people, then surely

all we've done is persist in sustaining inequality, and we seem to be suggesting that we build social capital to make that happen. That's not what I'm interested in doing.

Peter Robinson

Rod ... why not recognize that social capital, as an intangible, should be something that should be accumulated? An organization (government, business, NGO, etc.) that has built high social capital (variously defined over the last two days - but seemingly referring to trust, good-will, reciprocal action, etc.) should have a higher success factor, something vital when things go wrong - which they invariably do.

Greg MacLeod

Adam Smith did not foresee our kind of global society.. he opposed business at a distance as being irresponsible.
We really don't have a free market in a fair sense.. it is impossible for the weaker parts to catch up with the stronger parts without some sort of intervention

Rod Dobell

Ah, Havi...just when we were getting along so well...
I'm prepared to work for greater social capital to build greater material well-being for the (better distributed) betterment of more people.

Greg MacLeod

I don't think government can create social capital.. it simply grows in a healthy society.. government can enhance and support it though.

Judith Maxwell

Peter, your comment about relative scale is one I would like the panel to explore further. I'd like to know whether small communities, small businesses, etc are more likely to contribute to social capital?

Herb has got it started. Shall we continue?

Peter Robinson

Herb ... yes, the issue of scale is quite relevant, isn't it? I'm wondering, however, we

could ever develop a "minimalist theory" of social capital - i.e., at the global level - what are the minimum elements of social capital we need to develop in order to ensure health and sustainability? Small scale groups would add on to this base as they chose.

Havi Echenberg

If the hypothesis about scale is correct, then we would see a decline in social capital as Canada continues to urbanize. Or can we create smaller scale within cities? Neighbourhoods? Condominium owners' associations? Will these work as small towns did? I fear not.

Rod Dobell

Peter--Once again you've got it right on, it seems to me. Basic needs and universal rights at global level, collective rights and identity politics at more local scale. We have nested systems here.

Judith Maxwell

Havi, can you make that fit with Peter's minimalist idea?
It takes us to the importance of neighbourhoods, Community organizations, coops etc.

Anyone want to go there?

Herb Barbolet

I join those who argue that transnational corporations have displaced many governance functions. In part, they've done this by convincing populations that debt and deficit reduction are more critical than the distributive functions of government. As long as transnationals are free to transfer trillions of dollars internationally with no control by nation states or international bodies, smaller institutions will be at a decided disadvantage.

Greg MacLeod

I think that smaller is better for communities..when metro areas get too big, it is extremely difficult to maintain strong social relations. Recent census shows enormous massification in Canada.. following world trend.

Peter Robinson

Havi ... you raise an interesting hypothesis - but I suspect that somewhere in the continuum is an ideal size / scale. As one gets too small, one also risks losing access to the other capitals (financial, environmental, human, etc.) that are necessary to ensure what I would call strong and robust communities.

Havi Echenberg

At the risk of heresy, I challenge the notion of "small is better" when it comes to building social capital. I think smaller often means people are *forced* to reciprocate, but that doesn't not necessarily contribute to social capital as I understand it. But, I do agree that there are probably limits to the size of the group in which social capital can be built.

Herb Barbolet

Greg: maybe Adam Smith did foresee globalization and that's why "he opposed business at a distance as being irresponsible."

Peter Robinson

Thanks for the agreement, Rod ... I confess, however, to have borrowed some of this from Ignatieff's concept of a "thin theory of human rights" -where he says that there is a basic set of elements (freedom from torture and abuse for example) that constitutes an effective human rights regime.

Judith Maxwell

What about the argument that small communities can become closed communities -- without diversity and not tolerant of change?

Rod Dobell

Let's not romanticize smaller is more beautiful, or social capital, either, too much. We can have different kinds as well as different extents of social capital at different scales.

James Tansey

Smallness of scale cannot explain levels of social capital. There are lots of small communities where it is low and lots of large communities where it is high. In other words, urbanisation doesn't necessarily undermine social capital, it just makes romantic images of rural life more common as the antidote to the city.

Havi Echenberg

Are we looking for determinants of social capital? As we've considered determinants of health? Then I think the community needs to be large enough and the citizens empowered enough to be able to make choices about the relationships they form.

Peter Robinson

Judith - let's be cautious about generalizing that small communities equal closed communities equal unhealthy communities. Small communities with unique characteristics should be celebrated - the trick is to ensure they are part of a plurality of respect.

Greg MacLeod

I think we need huge corporations to provide modern products .. these are usually global.. However, I think we urgently need a counterweight to the global.. Strong community businesses such as cooperatives build on social capital and can be that counterweight.. the key is to be locally rooted.

Peter Robinson

Greg - seriously? Huge corporations? Perhaps if they have open and transparent systems of decision making and governance - but I'm really not a big fan of oligopolies.

Havi Echenberg

It used to be (feeling old now) that manufactured products came from away, and other products and services were local. With the increases in franchises (as described eloquently by Rifkin), it's harder to find really local services.

Herb Barbolet

I think Christopher Alexander's pattern language may give us a clue to the question of scale. It isn't so much the size of the urban conglomerate as the way in which it's organization. It would be hard to argue that Paris, Rome, London or New York are worse than Lethbridge because they are too large. The False Creek community in Vancouver is a very densely populated area, but planned for the human scale.

Greg MacLeod

I don't think that small businesses can produce airplanes and we need them. My rule is subsidiarity.. keep it as small and as local as possible but recognize where the large and global are required.

Judith Maxwell

Now I would like to explore examples of specific communities in Canada where social capital is high?

Greg and Herb, you both have direct experience with the co-op movement. Would you lead off this part of the dialogue, please?

Greg MacLeod

I am impressed with Mondragon and Emilia Romagna.. Very old stable communities with very high levels of coop business. Unemployment is 4%. In Canada, Quebec is the best example.. much higher than anywhere in Canada.. more innovative structures in the community business movement also.. more innovative government programmes also.

Peter Robinson

Social capital at co-ops? Perhaps I can also add experience from Mountain Equipment Co-op. Do we have high social capital because of our governance structure - because we're in a business that links people to play and fun - or because we have human capital that cares?

Assuming the co-op has high social capital, which I believe it does, I'd have to say that the governance structure does relate strongly. Why? Because the primary motive is not the accumulation of profit, but the provision of goods and services for members. Taking the profit motive away actually enhances the co-ops ability to concentrate on things that are often considered 'non-traditional" in the business community.

Herb Barbolet

In the 1970s, there was a strong and cohesive community built around food in Vancouver. Fed Up Coop and CCEC Credit Union and another worker's coop organized a network of buyers clubs and community businesses. The system worked well for many years, but finally broke down from two primary causes, among others. 1) the enormous amount of volunteer labour required became less available as families aged and society sped up, (2) a business mentality became more dominant and labour-intensive activities were replaced by machinery.

Greg MacLeod

I think that the social capital pre-exists and allows the development of the community-cooperative business. Some Cooperatives however are like other corporations and do not have an attachment to a local community.. hence do not enhance social capital.

Peter Robinson

Greg .. what's your sense of why some co-ops do well, while others fail? My hunch is that the very things that make other businesses successful pertain here - product / service relevance and efficient means of transaction are just as important. I think where they have a leg-up is in the more direct connection with the consumer.

Greg MacLeod

Peter I agree in that.. In Cape Breton, Newfoundland we had all kinds of cooperatives but they did not have the technical tools of business. I think MEC started because of some people who had strong social relationships and values.. The challenge is how such a coop spread all over can maintain social, human relationships. It could be a great Canadian Social Capital builder

Rod Dobell

I'm beginning work with several students over a wide range of community-based research projects involving people from the Clayoquot Sound region on the West Coast of Vancouver Island. Immense reservoirs of social capital built over the last decades...but also continuing social conflict, dissent, and disagreement. Not clear whether the social capital up through dense networks of civic engagement will finish up helping the community or not. Maybe bonding will outweigh bridging, to the

detriment of all.

Peter Robinson

Rod ... I'm glad you touched on reservoirs of high social capital that also contain elements of dissent and dissonance. You're correct in that there is often a higher level of discourse - often animated - in organizations that are open and inclusive. I'd like to characterize such conflict as "creative tension" - I think that if one embraces such dissonance (as long as it's respectful) - you can continue to move ahead. Nevertheless, if the tension becomes too severe - and erodes those elements of social capital down to zero - then quite likely the group becomes irrelevant and fails.

Judith Maxwell

Is voluntary labour an essential ingredient for co-ops? Presumably many have paid work forces.

Havi Echenberg

My sense from housing co-ops, is that it's the volunteer labour that in fact builds the social capital, even among geographic neighbours. This does not mean, however, that there are no paid staff.

Greg MacLeod

I think that is right.. high social capital ensures better government --low social capital requires strong authoritarian state systems.

Herb Barbolet

"Does low social capital destroy good government?" Yes.

Greg MacLeod

An essential part of community-cooperative business is voluntarism.. It is led by people because of their values, not because of money. Voluntarism is essential for Social capital -- that is why cooperatives seek best suited to such communities, I think.

But as Peter said, social commitment is not enough.. technical ability and capital are

required.

Judith Maxwell

Let's move on now to some audience questions. First one, "Didn't Putnam's research in Italy on 'making democracy work' show that regions with high levels of social capital also had better government based on the citizen's greater trust in government? Maybe the question is does low social capital destroy good government?"

Havi Echenberg

I'm not sure that Putnam's Italian research is relevant here, though, given that the communities he was studying were so homogeneous, racially, culturally. Hence, getting governments that reflected their views may have been progress for democracy, built on social capital, but I'm not sure it's replicable in more diverse communities.

Peter Robinson

Judith - a good question from the audience. I'm not sure, however, that one can uncouple the two elements of social capital and good government - I think they feed off each other as you move up and down the scale.

Rod Dobell

"Does low social capital destroy good government?" High social capital makes governance more effective, more likely to lead effectively from collective intentions, perceived as legitimate, to faithful compliance in accord with intentions.

Putnam's work found that where there were high levels of civic engagement there was better performance in delivery of government programs. But the indicators were not nearly so broad as to measure 'good government'.

Herb Barbolet

In the days of Tammany Hall, people knew who their ward boss was and had a personal relationship with the power structure. These days, so few people participate in constituency associations, therefore political power resides at a much higher level. Social capital certainly led to greater involvement, but not necessarily higher participation or better government.

Judith Maxwell

Another one from the audience, "While co-operatives may not be overly effective at addressing poverty, would you not think they serve the purpose of increasing awareness?"

Havi Echenberg

In my experience, co-ops haven't displayed a great deal of interest in increasing awareness about poverty. But it's entirely possible I've missed something important and exciting!

Peter Robinson

I agree with Havi, co-ops don't necessarily act to create awareness of poverty - but then again, that's not their purpose. They are primarily about groups of people coming together to pool capital (labour, financial, etc.) for something that benefits them.

Greg MacLeod

Just because a business is a cooperative does not mean that it is built on social capital nor does it mean that it is dedicated to community good.

Judith Maxwell

I now want to ask you for your final comments, panel. We have not discussed the role of other civil society institutions -- that is other than co-ops.

Your portrayal of the co-ops is very interesting. You suggest that they begin with reservoirs of social capital based on a community of interest and perhaps volunteer labour; that the governance structure helps, because they can focus on their direct relationship with the customer. And the values base is key.

But you also noted that they need sufficient scale, good business practices, and the ability to manage dissent, conflict, while encouraging a lively discourse. It sounds like a recipe for a successful charity or community organization as well. What say you?

Greg MacLeod

I have suggested to charity organizations that they convert into community businesses.. Use capitalistic tools for social purposes

Havi Echenberg

Community organizations vary so very widely in size. Some need to be large in order to carry out their missions, like those global corporations, though not quite on the same scale. Others, it seems to me, build social capital because they are transient and informal and small. The purposes of community and other charitable organizations vary so widely that their form does as well, and so, I'd suggest, does the degree to which they contribute to social capital.

Peter Robinson

Judith ... I like your feedback, particularly because I'm in the co-operative sector. Nevertheless, I'd be remiss if I didn't acknowledge that social capital in respect of other issues (i.e., human rights, poverty, balance of power, sense of belonging) is also incredibly strong in non-profit groups, families, first nations communities and community-based enterprises. I think we need to expand the boundaries of social capital to include all those structures which enhance activities of reciprocal human relationships.

Rod Dobell

Seems to me the issues are the same around any organizational forms. The question of scale determines how personal or how explicit norms must be, and how much reliance on formal text (with all the slippages introduced as different people try to perform the text). No matter what institutional structure of governance, there will be the issues of participation, involvement, engagement, voice and so on, with a continuing balancing act between procedure and principle.

So it seems to me the issues of social capital are the same in coops, corps, or community organizations structured on other lines. Getting the incentive structures bearing on individuals aligned with those of the group, the organization or the society is the issue.

What does any of that tell us?

Greg MacLeod

While I recognize that there is informal social capital, I consider Rotary Clubs, Hockey clubs, church groups, Legions, unions etc as all part of the fabric of social capital..as well as cooperative businesses in a local community

Herb Barbolet

There is a growing consensus that civil society organizations need to and are developing greater accountability - this will only help to develop and increase social capital (that's what I'm afraid of - I've been sucked into using this vocabulary.)

Judith Maxwell

Any last comments on the experience of the past three days?

Greg MacLeod

I'm surprised at the degree of consensus. Short bites of dialogue force one to clarify.

Rod Dobell

Fascinating discussion, and great fun. But as with all the other discussions of social capital and such things, I think we should be careful not to overestimate or overstate how much we agree, or even how much we have said.

Will take a lot of work to translate all this learning into something that works on the ground, which is where it matters--as Greg, Herb and Peter have kept (very properly) reminding us.

To quote yet another, "and evermore came out by that same door wherein I went...?"

Havi Echenberg

I believe that social capital is built, at least in part, on bridging across communities, or in our case, disciplines and backgrounds, so it's not surprising that we've made some progress in reaching more consensus. What I like is that we've maintained our differences as well, which is what good social capital should permit, in my view.

Peter Robinson

My final comments ... it was a delight to engage in this discussion. Certainly the strengths are that we can contribute from anywhere - which we seemingly did. On the down side, however, I think we need to be cognizant that e-dialogue is not the forum for reasoned / seasoned discourse. It skims the surface, so to speak. Perhaps it needs an ability to have both reflective and spontaneous elements? I'm not sure what this would look like - but it would probably include some pre-session / post-session work.

Judith Maxwell

We on the panel have all learned from this experience and grown more confident with the technology. We have been building social capital in this panel, I believe. We could build even more by getting feedback from the audience. If you go to the main page, www.e-dialogues.ca you will see a button for evaluation. Click there and tell us what worked and what did not. This is experimental, and we know we can make it better.

Most sincere thanks to the panel and to the organizers at Royal Roads. It has been a treat to work with you, and I know you must be weary.

To the audience, thanks for your questions. It is heartening to know that there is so much interest in the topic and in the process.

Until next time, then. Good bye. Adieu.