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Chapter 6

Producing social capital as a development strategy: implications for the micro-level

Abstract

This paper considers how social capital can contribute to poverty alleviation at the micro-level, based on an analysis of the documentary evidence provided by theoretical perspectives and empirical studies. Across countries and contexts, micro-credit, agricultural production and marketing, environmental protection and knowledge networking are linked to productive social capital. Four mechanisms to strengthen social capital are identified: structural opportunity to meet, 'know-how' of social interaction, sense of belonging and an ethos of mutuality. We envision that opportunities within development practice exist to foster such mechanisms, and recommend in-depth studies to enhance our understanding of social capital production mechanisms.

6.1 Introduction

Social capital refers to the idea that there is value in our social fabric. Like our economic capital enables us to buy resources, our social capital enables us to access resources, providing access to information through the members of our networks and facilitating the achievement of common goals. The concept has become increasingly popular among scholars and development practitioners in the last two decades, largely influenced by Putnam's (Halpern, 2005a: 9) analysis of the role of social capital in the differing democratic governance performance in northern and southern Italy (Putnam, 1993). The concept has also gained widespread recognition as relevant for development with endorsement by the World Bank, with social capital even being qualified as the 'missing link' in development (Grootaert, 1998). The World Bank presents the following definition of social capital as:

[T]he institutions, relationships, and norms that shape the quality and quantity of a society's social interactions. Increasing evidence shows that social cohesion is critical for societies to prosper economically and for development to be sustainable. Social capital is not just the sum of the institutions which underpin a society – it is the glue that holds them together. (1999: no pagination)

Despite the recognition of the potential of social capital for development, the concept has also been subject to much criticism because of its negative implications but also because of lack of conceptual clarity (Portes and Landolt, 1996; Portes, 1998; Fine, 2001).

In the past decade, this journal has included a number of review articles (Bebbington, 2004; 2007; 2008; Fine, 2008) which have presented the polarised discussion on the value of the concept of social capital in development. Social capital has been the location of 'a real battlefield of knowledge' (Bebbington, 2004: 344), both within the World Bank where it was part of the language of attempted reform (Bebbington, 2004: 345-346) and outside where it has been seen to play 'an ideological role in the neoliberal project, accommodating it rather than questioning it' (Mayer and Rankin, 2002 cited in Bebbington, 2007: 158). In this way, the social capital terminology has been part of a broader, ideological debate to shift the onus of development from the state to civil society (Bebbington, 2007: 158). Although we are aware of this debate, the purpose of this article is not to contribute to it. Now that the dust has settled, we aim to take a new look at the concept and, in particular, how social capital contributes to poverty alleviation and how development initiatives can successfully invest in social capital. Therefore, this article consists of a first attempt to synthesise knowledge on the subject of mechanisms to produce social capital.

6.2 Methodology

This article examines the documentary evidence of the impact of social capital on poverty alleviation at the grassroots. We first intended to perform a systematic review of the literature, but the number of articles retrieved was consistently too high. A broad search with the key word 'social capital' on *Google Scholar* retrieves nearly three million records. Attempts to narrow the search remained unsuccessful with, for example, a search on the *Science Direct* database with the key words 'social capital' and 'poverty' on articles published between 2002 and 2012

retrieving nearly 14,000 articles. Attempts to identify key words that would retrieve articles concerning the mechanisms of social capital production were also unsuccessful. Therefore, sampling of literature was undertaken, using a method 'akin to snowball sampling' (Babbie, 2013: 265), to identify the relevant literature on social capital. This is a recognised method in social research:

Once you identify a particularly useful book or article, note which publications its author cites. Some of these will likely be useful. In fact, you'll probably discover some citations that appear again and again, suggesting they are core references within the subject matter you are exploring... it's about digging into the body of knowledge that previous researchers have generated. (Babbie, 2013: 265)

In addition, we took a grounded approach which permits a review to accommodate diverse types of articles, to identify emergent themes and to establish connections between texts (Dedding et al., 2011: 50). In this way, we were able to identify articles describing a range of outcomes and a range of mechanisms of social capital production, both in the context of resource-constrained countries and at the micro-level.

6.3 Theoretical perspectives: what is social capital?

The evidence of the development impact of social capital is underpinned by theoretical perspectives. We first review the main theoretical perspectives and then consider the theoretical understanding of the components of social capital. At the end of this section, we review current understandings of how social capital can contribute to development at the grassroots.

6.3.1 Definitions

Definitions abound. Although much of the popularity of the concept is due to Putnam's work (1993, 1995), Bourdieu and Coleman are both responsible for its original conceptualization. Bourdieu's (1986) conceptualization of social capital is based on the recognition that capital is not only economic and that social exchanges are not purely self-interested and need to encompass 'capital and profit in all their forms' (Bourdieu, 1986: 241). Bourdieu introduced new forms of capital: cultural and social capital. For Bourdieu 'social capital is the aggregate of the actual and potential resources which are linked to possession of a durable network' (1986: 248). This definition highlights the fact that individuals and groups derive profits (whether material or symbolic) from their social capital, although this does not mean that the profits are consciously pursued. Profits derive from the establishment and maintenance of relationships, processes that involve obligations that are subjectively felt (through feelings of gratitude, respect or friendship) or guaranteed by social institutions (referring to family members, heirs or knights). Indeed, an effort of sociability is necessary for social capital to be produced, with relationships being established and maintained through exchanges.

In Coleman's conceptualization, social capital's value resides in its function: 'Like other forms of capital, social capital is productive, making possible the achievement of certain ends that in its absence would not be possible' (Coleman, 1988: 98). In another definition, Lin defines social capital as the resources 'accessed and/or mobilized in purposive actions' (1999: 35),

hence leaving space for the agency of the individual. Woolcock argues that definitions of social capital should focus on its sources instead of its outcomes, and also that some consensus on a definition has been reached, namely that social capital comprises ‘the norms and networks that facilitate collective actions’ (2001: 13).

In Bourdieu’s understanding, social capital cannot be instrumentalised to contribute to grassroots development but according to other commentators (Coleman, Lin and Woolcock) it is productive and can be accessed for development, being roughly equivalent to the social processes that facilitate collective action.

6.3.2 Components of social capital

In the theoretical literature, a number of components of social capital are identified which can contribute to development, namely collective action, scale of operation, interpersonal ties, and cognitive and structural elements.

6.3.2.1 Collective action

As it carries ‘opportunities for mutually beneficial collective action’ (Woolcock, 1998: 153), social capital can be perceived as a tool to explore humans both acting for their own good and for the good of the others. As Requena (2003: 331) puts it, social capital ‘brings together several important sociological concepts such as social support, integration and social cohesion.’ Hence, in the context of poverty alleviation, it permits an analysis of a development that carries the potential to be mutual. It does not talk about redistribution, or earning at the expense *of*, it talks about ‘win-win’ situations, and calls on a sense of goodness.

6.3.2.2 Scale of operations

Some scholars have described social capital as the property of communities (see, for example, Putnam, 1993) while others have described it at the individual (or relational) level (see, for example, Lin, 1999). Indeed, social capital exists at a variety of levels. Foley and Edwards (1999) argue that brokerage of social resources can be organized at different levels of networks: dyads and informal networks (Burt, 1997; Heying, 1997), voluntary or faith-based associations (Eastis, 1998; Wood, 1997), communities (Bebbington, 1997; Schulman and Anderson, 1999), cities (Portney and Berry, 1997), at national levels (Minkoff, 1997) and even at the transnational level of social movements (Smith, 1997; 1998). According to Halpern (2005a), social capital can be located at different levels: *micro*, at the individual level; *meso*, at the community level; and *macro*, at the societal level. For Halpern (2005a), these levels can constitute the levels of analysis as social capital is a multi-level concept. Rothstein (2003) argues that it is a strength of the theory of social capital that it facilitates the unusual combination of macro-sociological structures with micro-level mechanisms. From this perspective, social capital can facilitate development at the micro-level of collective action (groups, villages, associations) but also at the meso-level of institutions.

6.3.2.3 Interpersonal ties

The interpersonal ties of which social capital is composed are of different strengths, which has implications in terms of capacity for change. Granovetter who understands ties as being either weak or strong, originally defined the strength of inter-personal ties as the ‘(probably) linear

combination of the amount of time, the emotional intensity, the intimacy (mutual confiding), and the reciprocal services which characterise the tie' (1973: 1361). Taking the case of diffusion of innovations, Granovetter (1973) found that while safe innovations are taken up by central actors, controversial innovations are taken up by marginal actors with many weak ties. In addition, he showed that weak ties are an asset in the job market and that strong ties can be disadvantageous and fragment closed communities.

In addition to different combinations of social capital elements impacting differently upon welfare, different sets of combinations provide optimal utility along development paths. For example, poor entrepreneurs initially draw support from intra-community ties but, as their businesses expand and hence they develop, they participate in extra-community networks (Woolcock and Narayan, 2000; Maas et al., 2014). This modification of social capital can entail a disinvestment in some networks (Woolcock & Narayan, 2000). Indeed, economic growth, as emerging from innovations, is associated with transformative processes. This may involve a creative destruction which impacts on social capital domains as it can, for example, require replacing older contacts with newer ones (Bezemer et al., 2004).

In the literature, there is a consensus on the classification between three subtypes: bonding, and bridging, and linking social capital (see Table 6.1). At the micro-level, bonding refers to the familial networks, bridging to the networks with peers, and linking to the vertical networks with power holders (Halpern, 2005a).

Table 6.1 Bonding, bridging and linking ties at different levels of social interaction

Ties	Bonding	Bridging	Linking
Micro Level	Family	Peers	Power-holders
Meso Level	Intra-community	Inter-community	Between stratas
Macro Level	Nation	International networks	Global organizations

Source: Halpern, 2005a.

6.3.2.4 Cognitive and structural components

Uphoff (1999) conceptualizes social capital in two analytical categories: structural and cognitive components. Structural components enable mutually beneficial collective actions through the establishment of social networks and roles (Uphoff, 1999). These networks are valuable because potential resources are embedded within one's contacts and because these resources can be mobilized (Lin, 1999). Or, as Coleman (1988: 108) argues, one source of social capital consists of the 'appropriable social organization'. As conceptualized by Lin (1999), social capital elements comprise network resources (range of resources, best resources, variety of resources, contact resources) and network location (structural role, structural constraint).

Cognitive components consist of norms and values, and are predisposing people towards collective action (Uphoff, 1999). They have been understood, for example, as solidarity, trust, or cooperation (Grootaert and van Bastelaer, 2002; Krishna and Uphoff, 1999). The different types of norms and values which make up social capital have also been described as resulting in different impacts. For example, Mayoux (2001) has argued that a failure to examine the

norms and traditions constructing social capital can result in contradictory outcomes for women.

6.3.3 Differing perspectives on social capital

Social capital is a concept that has received an enormous amount of attention as can be seen in the prolific literature on the subject. It has also been the subject of controversies, with many authors even questioning its capacity to be useful (for an early statement see Harriss and de Renzio, 1997). Some commentators conceive social capital as a collective good while others as an individual good at the micro/ meso/ macro scale. Others argue that the sources and the benefits of social capital are sometimes not differentiated (ie what it is versus what it does) and that different types of networks serve different functions (bonding/ bridging/ linking ties). In addition, some authors emphasize the place of trust (such as Putnam), others conceive trust as a precursor of social capital (such as Lin), while it is absent from Bourdieu's theory. This theoretical complexity provides the background against which the empirical studies of the role of social capital in development will be analysed. Indeed, both positive and negative perspectives have been identified which Rubio (1997) has identified as 'productive social capital' and 'perverse social capital.'

6.4 Empirical perspectives: productive social capital

There is considerable evidence that social capital contributes to economic gains and poverty alleviation; health and wellbeing; and to development initiatives.

6.4.1 Economic gains and poverty alleviation

Social capital is often correlated with economic gains by reduced transaction costs but also by enhancement of factors conducive to economic growth, such as entrepreneurship (as reviewed by Halpern 2005b). A World Bank study (Grootaert, 2001), across countries, has shown that increased levels of local associational life do help the poor and contribute to poverty alleviation. High social capital characterized by heterogeneity of ties was shown to have a positive effect on the welfare at the household level through knowledge exchange and pooling of risks, and higher returns were observed for the poor than the rich. Furthermore, social capital was shown to reduce the probability to be poor. In Tanzania (Narayan, 1997), higher levels of social capital were translated into higher household income through better public services, greater use of modern agriculture, more community activity, and greater use of credit in agriculture. In Panama, more social capital resulted in greater access to aid from both government and non-governmental organizations (NGOs) and less violence (Pena and Lindo-Fuentes, 1998). Social capital of traders in Madagascar, as embodied in networks of trust, was linked to business success and, in particular, higher incomes (Fafchamps and Minten, 2002). Social capital in the form of trust has been described as particularly relevant for people deprived of access to formal institutions. In Ghana (Lyon, 2000), trust built between traders and resource-poor farmers allowed both parties to enter new markets and increase income. In summary, higher social capital is associated with lower poverty. At the household and the level of communities, it contributes to improved welfare, improved income and greater access to resources.

6.4.2 Health and wellbeing

There are many studies describing the positive consequences of social capital for health (Halpern, 2005c). For example, strong family bonds decrease the likelihood of developing serious diseases (Russek and Schwartz, 1997) and a wider social network has been associated with lower mortality rates (Berkman and Syme, 1979). Satisfaction with interpersonal relationships is a better predictor of happiness than economic pathways (Helliwell, 2001), married people are generally happier than the unmarried (Donovan and Halpern, 2003), and membership of groups or associations is correlated with higher happiness (Argyle, 1987; Helliwell, 2002). At the level of the individual, social capital contributes to improved health and wellbeing.

6.4.3 Development initiatives

Social capital has often been found to contribute to the success of development initiatives. Social capital of farmers in Rajasthan, India, resulted in successful watershed management (Krishna and Uphoff, 2002). The success of the Gal Oya irrigation scheme in Sri Lanka was linked to increases in social capital (Uphoff, 1996) with evidence of a fourfold increase in water production as a result of inter-ethnic cooperation (Uphoff and Wijayarathna, 2000; Wijayarathna and Uphoff, 1997). Water delivery in Central Java, Indonesia, showed that the design of the most appropriate water delivery system for a given community depends on the level of social capital within the community because its members are more familiar with cooperation (Isham and Kahkonen, 2002). Higher levels of social capital of neighbourhoods in Dhaka, Bangladesh, increased the likelihood of inhabitants organizing their own waste collection (Pargal, Gilligan and Huq, 2002). Social capital also facilitates the implementation and success of NGO projects based on group work (Ahmad, 2003) and facilitates the diffusion of programme benefits to non-beneficiaries (Bandiera et al., 2009).

These empirical studies show that social capital can improve development outcomes at the individual, household, community and project level. However, there are also a number of empirical studies which show that social capital can have a detrimental effect on development outcomes.

6.5 Empirical perspectives: perverse social capital

According to Mayoux, the World Bank identified three problematic components of social capital construction on its website:

- (1) social networks which provide people with access to markets through reputation and repeated transactions can exclude new entrants, (Collier, 1998: 24)
- (2) community pressure can be harmful to individuals as 'traditions can stifle individual growth and creativity and members who do not comply with norms and their families can be ridiculed or ousted from the community'
- (3) communities with a lot of social capital, particularly if organised along ethnic or religious lines, can be harmful to each other and to society as a whole. (2001: 439)

There is evidence that social capital can exclude. Cleaver (2005) demonstrates that the poor in Tanzania are unable to use social capital as a resource for their development. In such cases, social capital reproduces chronic poverty by excluding the poorest because the poor have no means to invest in social relations or lack the ability to negotiate in unequal exchanges where their agency is constrained. In a study of social capital of micro-finance groups for women in Cameroon, Mayoux (2001) shows that social capital exacerbates inequalities. Moreover, other studies identify the gender-specific challenges of social capital. Woolcock and Narayan (2000) describe how girls in India are prevented from attending school because of their ties with the community. Not all household members have access to the same kind of social capital and, in particular, men's social capital can differ from women's (Bebbington, 2007). Moreover, men's social capital can be detrimental to women (Silvey and Elmhirst, 2003; Mayoux, 2001; Bebbington, 2007).

Social capital can also produce negative (anti-social) externalities for the outside environment (Portes and Landolt, 1996; Woolcock and Narayan, 2000). For example, street youths in Toronto and Vancouver, Canada, were found to have strong social capital within communities where crime is 'normal' and their type of social capital favoured crime (Hagan and McCarthy, 1997) and the famous example of organized crime of the Mafia (Servadio, 1976).

Moreover, social capital's outcomes are context-dependent (Foley and Edwards, 1999). Krishna and Uphoff (1999) also support the context-dependent analysis with data showing that heterogeneous networks are sometimes better from a social capital perspective while sometimes it is horizontal networks. From this perspective, different networks can produce different outcomes. To summarize, different components of social capital are associated with different welfare outcomes, and the types of combinations that will lead to positive outcomes are inherently context-dependent.

6.6 How to facilitate strengthening of productive social capital?

Bourdieu conceptualizes social capital as 'the cultural mechanisms that reinforce the boundaries of a particular status group' (Woolcock, 1998: 156) therefore depicting social capital as a force to maintain the status quo and not as agent of change. Putnam (1993) considers that contemporary differences in social capital levels between northern and southern Italy date back to the Middle Ages, hence not situating social capital as a target for change. Putnam's (1993) account or Bourdieu's (1986) structuration standpoint do not assume that it is feasible for social capital to be modified. In addition, in the context of development, Fukuyama (2001) warns that it may be difficult to modify social capital through policies or NGOs. However, some studies show otherwise and demonstrate it is possible for exogenous interventions to modify social capital. For example, micro-credit NGOs in Bangladesh have been described as augmenting both the structural and cognitive social capital of women beneficiaries (Dowla, 2006; Larance, 1998). The possibility to facilitate social capital production has, however, not received the attention it deserves. This section presents the empirical evidence, focusing on projects and programmes that have strengthened social capital at the micro-level, in resource-

poor settings across the globe. We do not differentiate between purposeful development of social capital and development of social capital as a consequence.

6.6.1 Development initiatives

Within a wide range of domains, studies have shown that development projects can strengthen social capital. For example, micro-credit (see, for example, Larance, 1998) has been described as producing social capital. In the domain of agricultural production, examples comprise (community based) fisheries management in Vietnam (Sultana and Thompson, 2004) and Bangladesh (Islam et al., 2011; Sultana and Thompson, 2004), or the collective production of agricultural outputs in Rwanda (Elder et al., 2012). Through the development of agricultural marketing, social capital has also been modified through, for example, the establishment of farmers' associations to sell to modern food outlets in Uganda (Kaganzi et al., 2009). Initiatives focusing on environmental production have also been linked to change in social capital, such as in the case of the collective management of a coral reef area in Tobago and the coastal defence in Vietnam (Adger, 2003); an environmental service programme in India which triggered cooperation (Kerr, 2002); a market-based approach to agrobiodiversity in India, Vietnam, Thailand and Syria which generated collective action, enhanced trust and mutual understanding (Kruijssen et al., 2009); and a community initiated development in Taiwan which triggered network formation, collective action and reinforced trust (Tai, 2007). Intentional efforts to foster social links of migrant populations have also been associated with change in social capital, such as in the case of resettlement following a typhoon in Vietnam (Da Costa and Turner, 2006), and formalized rural-urban migrant organizations in Indonesia (Silvey and Elmhirst, 2003). The common approach of fostering information networks has also been linked to social capital, examples include farmer research teams in Honduras (Humphries et al., 2012; Classen et al., 2008) and the Honey Bee Network, a knowledge network in India which aims to augment grassroots innovations by linking different actors which, by promoting learning networks and transforming mind-sets, enhanced reciprocity, trust, and common-good values (Gupta et al., 2003). Another domain, although not a development enterprise, concerns the social capital development brought about by churches (Cilliers and Wepener, 2007), an approach that is consistent with the fact that the attendance of churches is used as one of the proxies to measure social capital levels (see, for example, Putnam, 1995).

These cases refer to both structural and cognitive social capital. We have reviewed cases where structural social capital was modified. In these cases, development initiatives were described as modifying structural social capital as they are enhancing networks at different levels (bonding, bridging and linking). In addition, examples concerning cognitive social capital were also mentioned as studies describe a modification of norms and values such as trust, reciprocity, common-good values, shared norms and love. Moreover, the strengthening of social capital is also described in terms of group dynamic: strengthening of cooperation, social cohesion, mutual understanding, interdependence, and collective response. If it is becoming increasingly clear that development initiatives are able to produce social capital in its different components, it remains much less explored 'how' initiatives can produce social capital. This will be the focus of the remainder of this paper.

6.6.2 Categories of mechanisms

Within the development field, Humphreys, Bebbington and Gomez (2005) have argued that rituals play a central role in the creation of social capital through micro-finance institutions in Peru and Guatemala. In the poverty stricken context of Paarl area, South Africa, Cilliers and Wepener (2007) not only show that rituals contribute to social capital production but also describe this process occurring at four different levels: (i) *the material level* comprising places to meet; (ii) *the sense of belonging* and creation of trust (via hospitality, shared meals, prayers for the sick); (iii) *civic literacy* including skills to communicate and organize (via singing, meetings); and (iv) *the ethos to foster equity* which challenges power-holders to engage in reciprocal, equitable relationships and processes (linking social capital) via cooperative planning and redistribution of resources (Cilliers and Wepener, 2007). This classification of levels at which social capital can be generated is applied to our findings. We will therefore describe how, at the micro-level, development initiatives are able to produce social capital at these different levels.

6.6.2.1 The material level of structural opportunities

Most initiatives describing enhancement of social capital involve the facilitation of physical social interaction. For example, churches constitute a material space to meet (Cilliers and Wepener, 2007). In addition to a place to meet, the creation of opportunity to meet has also been observed as a method to strengthen social capital. Micro-credit, with the example of the Grameen Bank in Bangladesh, was described as fostering women's social capital because women have to go to the 'village centre' in order to meet the micro-credit field staff to repay their loans which gives them the opportunity to interact with other women, strengthens women's networks and, hence, develops their social capital (Larance, 1998). Collective wash stations in Rwanda have also been shown to foster trust and a sense of community which the authors hypothesize is due to the opportunity for interaction created by the wash station (Elder et al., 2012). Group formation, such as in the case of fisheries management in Bangladesh (Islam et al., 2011), is also a method to facilitate social capital production. Another example concerns social capital promoted by 'stakeholder platforms' for collective action by poor farmers in the remote highlands in Peru, Bolivia and Ecuador (Devaux et al., 2009). Initiated by a research & development institution, the participatory market chain approach was used to support market chain actors in their analysis of new business opportunities, leading to market chain innovations for native varieties of potatoes (Devaux et al., 2009). Interaction and trust between different actors was fostered by stakeholder platforms which promoted social capital formation and permitted collective action (Devaux et al., 2009). Some studies also show that cooperative farming, such as of coffee farming, builds networks and trust (Milford, 2004; Majee and Hoyt, 2010) while for others such effects remains doubtful (Elder et al., 2012). Development of disadvantaged communities through sport has shown capacity to build social capital in Western communities (Skinner and Zakus, 2008), a role which sport can also play in the developing world (Schulenkorf, 2012). For example, the 'Games for Peace' aimed to foster social ties between the Sinhalese, Tamil and Muslim communities in Sri Lanka after the Tsunami (Schulenkorf, 2012; Schulenkorf, 2010).

Therefore, creating structural platforms that provide opportunities to meet are a way to produce social capital which have been used in a variety of contexts.

6.6.2.2 A sense of belonging

Cognitive social capital, such as common norms, goes together with a sense of belonging in a group. Sense of belonging has been shown to be fostered by different initiatives. Learning skills for group work in Uganda fostered shared norms, interdependence and trust (Kaganzi et al., 2009). Cultural habits were developed during the compulsory meetings linked to micro-credit initiatives (Anderson et al., 2002). In the latter case, common-good norms were developed through routinization (Anderson et al., 2002).

In addition to fostering shared norms, a sense of belonging enhances recognition in the eyes of the other. Micro-finance activities in rural Bangladesh have had a positive impact on social capital because new networks have been established and existing networks strengthened. Larance (1998) describes the process of enhancement of social capital as women's personal recognition increases, enhancing their confidence, dignity and sense of identity. Furthermore, collective identity is built on individual identity, facilitating community cooperation. Such changes have an impact on the direct beneficiaries but also enhance networks and cooperative norms at the village level (Larance, 1998). This is consistent with Bourdieu describing cognition and recognition building the relations of social capital.

Linked to a sense of belonging between individuals is the trust that can be created. Indeed, mechanisms have been described that are used by individuals to strengthen mutual trust at the micro-level. In his study of farmer-trader relationships in Ghana, Lyon (2000) considers that people build trust within their working relationships through continuous interactions over time where information is shared and reciprocity enacted, but also by 'tests' of trust (such as lending money). In addition, working relationships develop into friendships which also foster trust, such as when a trader attends the funeral of a customer's family member or when a farmer names a child after a customer (Larance, 1998).

6.6.2.3 Civic literacy

The skills of cooperative social interaction, or what Cilliers and Wepener (2007) call civic literacy, can be learned. Indeed, skills for group work have been learned by 'learning by doing' in Ugandan farmer associations (Kaganzi et al., 2009). Small-scale potato farmers were led to organize collectively and hence had to develop their social capital in order to access new market opportunities linked with urbanization. These farmers formed groups, and together were able to successfully develop market channels to supply a fast food restaurant in the capital city of Kampala. Farmers developed new skills for group work throughout the process which played an important role in the success of their collective actions. They developed the skills of social capital formation in the process of engaging in cooperative action.

6.6.2.4 The ethos of mutuality

Many initiatives have been found to foster equity within the social fabric, even when this is not the explicit aim. Roles can be redefined in more equitable terms and, in particular, participation of the disempowered is facilitated. One example involves the establishment of cooperative

fair-trade certification groups in Rwanda which enhanced one aspect of structural social capital, namely farmers' participation and, in particular, the participation of women (Elder et al., 2012). Another example concerns strategies to improve the management of common natural resources that involved collective action between different stakeholders, implying that social capital was intentionally built. In this case, the participatory action plan development method was used, consisting of local workshops led by facilitators, which aimed to develop consensus and led to perceived gains in trust, cooperation and social cohesion (Sultana and Thompson, 2004). In the Andes, better development of federations of the rural poor was attributed to the sustained support of external actors, such as religious leaders and NGOs, who could develop federations' social capital (Bebbington and Carroll, 2000). External actors were indeed able to develop social capital of the federations by mediating conflicts and ensuring transparency. An external NGOs was also found to play a role in mediating the building of networks of social entrepreneurs in Bangladesh (Maas et al., 2014).

A sense of goodness is also described in different ways. Gupta et al. (2003) describe the ability of the Honey Bee Network to foster an ethical capital with a modification of values and norms. Candland (2000) describes four faith-based NGOs in Indonesia, Sri Lanka, Pakistan and Thailand who participate in community development and foster social capital. These NGOs promote the norms underlying social capital (cooperation and trust) as a good in themselves. Candland (2000) shows that government policies can foster faith-based NGOs' ability to strengthen social capital for social development but that the effectiveness depends on the state not promoting a civic religion. Another example shows that social capital can be developed through remittances. Senegalese people living in France and Italy send remittances to their home country: which represent a way of maintaining migrants' social capital with their home community (Chort, Gubert and Senne, 2012). Remittances can be viewed as a fee that allows migrants to keep access to their networks. Payment is enforced through social control, namely the fear of being marginalized, and this reinforces solidarity norms within migrant communities (Chort, Gubert and Senne, 2012). Hence, sending remittances contribute to social capital as this enhances common-good norms between migrants (Chort, Gubert and Senne, 2012).

6.6.3 Overview of mechanisms and elements of modified social capital

Reviewing these different studies, it is apparent that each initiative relies on different mechanisms for the modification of social capital and that different types of social capital are modified by different mechanisms. When mechanisms such as group formation play a role, particularly in the development of structural components, these mechanisms also trigger cognitive social capital. The literature identifies mechanisms to trigger bridging social capital but there appear to be fewer mechanisms to trigger linking capital and none to trigger bonding capital. This leads to the conclusion that the theoretical and empirical understanding of how to trigger and build social capital is currently little developed. It is, however, probable that there are more mechanisms to build social capital already in existence but they are not yet interpreted in terms of social capital. In addition, although development initiatives have been found to build social capital, other initiatives, such as churches (Cilliers and Wepener, 2007) and remittances (Chort, Gubert and Senne, 2012), also appear to be able play a role in social capital

formation. Hence, we show (Figure 6.1), how these mechanisms fit into our conceptual framework of social capital to produce it.

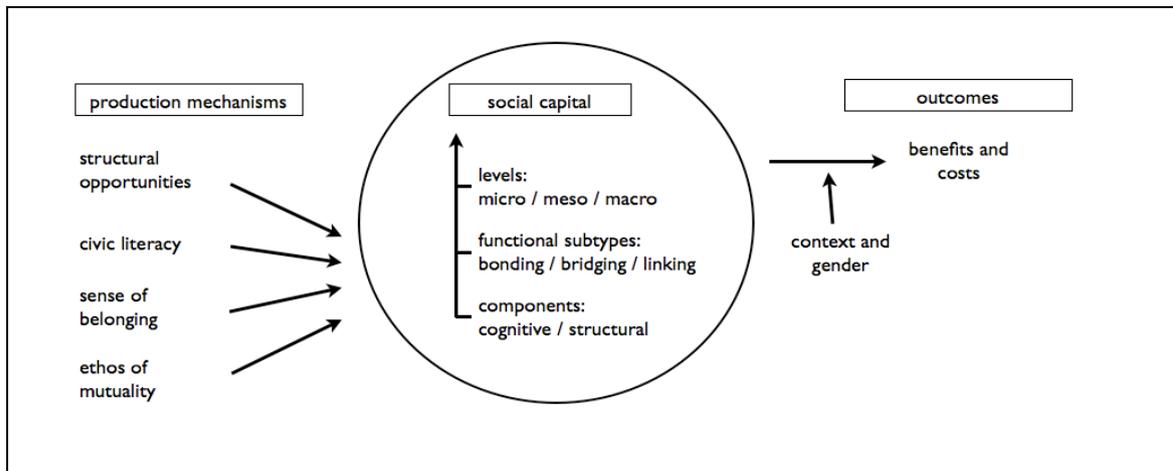


Figure 6.1 A synthesis of the concept of social capital

Source: Authors

6.7 Conclusions

This paper aims to contribute to understandings of how we can invest in mechanisms to strengthen social capital in order to alleviate poverty and facilitate development at the grassroots. To do this, it first reviewed theoretical perspectives of social capital and then considered productive and perverse social capital as described in empirical studies. We found that social capital is a complex concept and that strengthening of social capital will not necessarily result in positive outcomes. This has important implications when trying to instrumentalise social capital for poverty alleviation because different combinations of the components of social capital lead to different outcomes, in a context-dependent manner. The third part of this paper on facilitation of the production on social capital should be seen against this background. In this part, we provided a review of mechanisms described as strengthening social capital as part of development initiatives, mechanisms which are triggering different combinations of social capital and in different contexts. Although we aim to contribute to development practice with this paper, it is important to emphasize the importance of context and the limitations in replicating mechanisms.

In our study, we analysed mechanisms described as enhancing social capital. We have found that these mechanisms fit into the four categories described by Cilliers and Wepener (2007). Across contexts, these appear recurrent domains where development initiatives exert leverage. We have identified mechanisms for developing social capital that fall under the four categories of Cilliers and Wepener (2007), including (i) structural opportunity to meet; (ii) ‘know-how’ of the social interactions; and (iii) a sense of belonging with norms shared and a sense of community (reminiscent of the ‘being nice’ strategy of Axelrod (1984) for successful cooperation). In addition, (iv) the ethos of mutuality, comprising equity and goodness, was shown to foster social capital production. This echoes the fair treatment described by Axelrod (1984) as a strategy for winning through cooperation, and the moral compass identified by Lockhart (2005). In the USA, Lockhart (2005) considered a faith-based work programme that

explicitly aimed to build social capital, highlighting norms of mutuality and responsibility. These four categories appear to be strongly interwoven with one project component able to leverage various mechanisms.

Through different mechanisms, development projects are able to strengthen social capital for positive development outcomes. The four mechanisms-categories for social capital production are four paths that can serve to identify opportunities for social capital production. These opportunities can be created, or already existing and taken advantage of. One way of doing this is by facilitating structural opportunities to meet. For example, we can envision that opportunities to meet could be facilitated in the group meetings often organized when development initiatives are set up. At these meetings, learning of the skills of social interaction can be facilitated and civic literacy can also be developed. The ethos of mutuality can be fostered by the promotion of transparency and of consensus in decision-making. Developing a sense of belonging is a possible path to follow: proud 'members' of a programme can find themselves empowered with this new identity.

The four categories of social capital production mechanisms identified in this article are interesting mechanisms that offer potential for replication in the aim of producing social capital to alleviate poverty. However, this does not spare us from a heightened attention to the kind of outcomes that are generated: one must remain observant. Indeed, social capital outcomes are context-dependent. In addition, the mechanisms we studied trigger different combinations of social capital sub-types. And as different set of combination of social capital have been shown to be linked to outcomes, and as outcomes can be negative, it remains to be in-depth studied which mechanisms trigger which components and what are the outcomes. A level of details we could not get to by our literature study.

We are convinced it is possible for development initiatives to consciously develop social capital and establish frameworks for such. If producing social capital offers promises of mutuality for development, it remains that one must be attentive whether it is the glue that holds the community together, and do not sever from their network the ones not conforming to its norms, or do not produce capitals at the expense of others communities hereby lighting up conflicts. Hence, more studies of initiatives aiming at producing social capital and analysing mechanisms of social development production are needed. Studies of effects of interventions on different social capital components and on its outcomes need to be carried out in a participatory manner, such as by using the Interactive Learning and Action (ILA) approach (Zweekhorst, 2004). Transdisciplinary approaches (Regeer and Bunders, 2003) would here be relevant because they offer a framework for the collective analysis of development practitioners, scientists and target populations.