Building the Sustainable Community: Is Social Capital the Answer?

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Over the past decade, environmental sustainability has emerged as a prominent theme in the community development literature. In fact, the concept has become a standard feature of most economic and social development plans. Most models of sustainable community development stress the importance of widespread participation in the decision-making process. Unfortunately, community studies document numerous barriers to broad involvement and the high level of activeness envisioned by proponents of sustainable community development. In searching for ways to overcome these barriers, scholars and policymakers have embraced the idea that we can enhance efforts to create more sustainable communities by increasing the local stock of social capital. We examine this line of reasoning in light of what we view as the most important conceptual issues surrounding the relationship between social capital and sustainable community development. We conclude that before social capital is endorsed as a central component of public policy, much work remains to be done in terms of developing a more precise definition of the concept, situating it within extant theories of community, constructing better measures of social capital, documenting the activities and networks most important in building social capital, and gaining a better understanding of the forms of social capital that are most important in developing sustainable communities.

With the emergence of sustainability as the central force behind many new efforts in community development, attention has focused on building the local capacity to create more environmentally friendly and socially equitable places to live. In the course of this search, scholars and policymakers have increasingly embraced the idea that this process depends on increasing a community's available stock of social capital (Coleman 1988, 1990; Putnam 1993; Flora 1998). Unfortunately, the critical linkage between sustainable community development and social capital remains largely unexamined; it is simply assumed that building social capital will enhance efforts to create sustainable communities.

The ensuing discussion examines this assumption in light of what we view as the most important conceptual issues surrounding the relationship between social capital and sustainable community development. To begin, we consider the renewed interest in the local community. This provides a basis for situating the larger discussion. Following this, we turn to the issue of sustainable community development, describe its relationship to the revival of interest in commu-
nity, define it, and discuss some of the most serious difficulties associated with developing sustainable communities. This leads to a discussion of social capital and the problems involved in trying to link sustainable community development and social capital. The paper concludes with some suggestions for future research.

**The Resurgence of Interest in the Community**

After several decades of neglect by academics and policymakers, the local community is once again the focus of attention as an important unit of social organization and locus of action. This emphasis can be seen in a spate of recent books, with titles such as *Changing Places: Rebuilding Community in an Age of Sprawl*, *Going Local: Creating Self-Reliant Communities in a Global Era*, and *The New Urbanism: Toward an Architecture of Community*. It is also seen in policy recommendations, (e.g., Al Gore's Smart Growth Initiative) and policy discussions (e.g., Hillary Clinton's "It Takes a Village"), has made its way into various federal and state agency missions (e.g., USDA's National Research Initiative and the Environmental Protection Agency's new grant programs), and most prominently among the general public in the form of ballot initiatives intended to reduce sprawl and create more livable communities.

Some might argue that this shift can be explained as a manifestation of the recent political climate, especially its rhetoric of individual responsibility and devolution of responsibility to the state and local level. While this may be part of the reason, other factors are involved. First among these is the growing disenchantment and disaffection, on both the right and the left, with the government's typically large-scale, bureaucratic solutions to the nation's most intractable social, environmental, and economic problems. A second, closely related, factor is the deep pessimism about both the national and global political culture—a pessimism that also ignores ideological differences. Indeed, if there is a central force behind the widespread apathy toward national elections it is the pervasive sense that politics at this level is so corrupted by money and special interests that meaningful reform is virtually impossible. Thus, the call for renewal of democratic institutions at the grassroots is a natural and understandable response to this feeling of hopelessness.

Finally, it is arguable that the renewed interest in the local community is one of many, often contradictory, responses to globalization and economic restructuring. As Harvey (1997, p. 297) argues, the advances in transportation and communication that have accompanied these processes have enabled corporations to make locational decisions that were impossible a generation ago:

When transport costs were high and communication difficult, places were protected from competition by the frictions of distance. Places could depend upon a relatively high degree of monopoly power. But diminished transport costs have made production, merchanting, marketing,
and particularly finance capital much more geographically mobile than heretofore. The monopoly power inherent in place is much reduced. This allows much freer choice of location which in turn permits capitalists to take more rather than less advantage of small differences in resource qualities, quantities, costs and amenities between places. Multinational capital, for example, has become much more sensitive to the qualities of places in its search for more profitable accumulation. (emphasis added)

This situation has provoked conflicting reactions at the local level. On the one hand, communities find themselves in fierce competition to attract mobile capital. Standard means of industrial and commercial recruitment such as tax abatements and infrastructure improvements are increasingly being supplemented by efforts to "sell" places to potential investors and consumers through the use of seductive imagery, the commodification of local cultural and historical traditions, and the creation of new amenities (Zukin 1991; Philo and Kearns 1993; Harvey 1997). The logic behind this strategy is not so much to highlight the features that truly distinguish between places as it is to "harness surface differences" (Philo and Kearns 1993, p. 20) that will present a standard set of attractive images to potential investors. As more and more places participate in this process, they end up creating "a kind of serial replication of homogeneity" (Boyer 1988, cited in Harvey 1997, p. 298).

On the other hand, the political and economic processes that commodify and homogenize places have provoked growing resistance and sparked attempts to construct alternative conceptions of community life. In an increasingly fragmented and uncertain world, the search for a geographically based community becomes a means of exerting some control over at least a portion of one's life. It also encourages a means for locals to create an authentic setting in which to live. In our opinion, the central theme behind many of the recent attempts to recapture a sense of community is the recognition that such a task requires alternative constructions of place—symbolic, economic, and physical constructions which reduce the alienation of people from one another and from the environment.

**Sustainable Community Development**

Although the concept of sustainable community development is rooted, first and foremost, in the widespread recognition that human activities have placed a serious strain on the earth's carrying capacity, it can also be traced to many of the concerns discussed above. To see this, one need only look at the justifications that are offered for directing sustainability at the local level. For instance, proponents of sustainable community development argue that strategies formulated at the national or global scale tend to prevent "meaningful and concerted political action" (Yanarella and Levine 1992a, p. 764). At such macro levels, the scale of change required is so great that problems of coordination across political units
are bound to be enormous (Bridger and Luloff 1999). Attempts to achieve sustainability on a grand scale also tend to be couched in the technocratic language of planning and administration, emphasizing the need for global ecological planners to work with national political elites and multinational corporations to manage environmental crises.

A major problem with such solutions is that relations of domination are left in place. Those who control the resources—and who not surprisingly are responsible for many of the decisions and actions that have caused environmental damage—are generally charged with cleaning up/mitigating their messes (Yanarella and Levine 1992a, p. 766). The result is a crisis mentality that relies on technological solutions for much larger structural problems. From this perspective, sustainable development on a global scale could actually strengthen the economic and social conditions which support unsustainable practices, “especially when such ‘band-aid’ solutions lead to situations where these deeper ecological problems fall below the threshold of public attention and the political momentum for more fundamental change is allowed to dissipate” (Yanarella and Levine 1992a, p. 766).

Alternatively, by focusing on sustainability at the local level, changes can be seen and felt more immediately. Further, discussions of a “sustainable society” or a “sustainable world” are relatively meaningless to most people since they require levels of abstraction not relevant in their daily lives. The community, in contrast, is more conceptually manageable. After all, the consequences of environmental degradation are most keenly felt and the results of intervention most noticeable in one’s own backyard. Finally, sustainable community development may ultimately be the most effective means of showing the potential for long term improvement on a broader scale because it places the concept of sustainability “in a context within which it can be validated as a process” (Yanarella and Levine 1992a, p. 769). To the extent that successful intervention becomes a tangible aspect of local life, we increase the likelihood that sustainability will acquire the widespread legitimacy that has thus far proved elusive.

In most models of sustainable community development, successful intervention results from the sort of democratic participation that is not possible in top-down strategies. This reflects the fact that for sustainable community development to occur, the knowledge and efforts of local people are essential. In fact, for some proponents it is precisely this requirement which provides the mechanism for revitalizing our democratic traditions. As Potapchuk (1996, pp. 54–55) puts it,

This “participatory democracy” becomes the central element in unleashing the power of people to control their own destiny and nurturing the citizen-to-citizen connection that helps build political consensus and will, strengthens neighborhoods, improves intergroup relations, and creates the neighborliness that helps with daily needs.
Obviously, the link between sustainable community development and the search for a more authentic existence is not stated in exactly these terms. Nevertheless, the notion that through the implementation of sustainable practices an authentic relationship to nature and an authentic sense of community will be recovered is a strong undercurrent in much of the literature (Harvey 1997). Wendell Berry probably articulates this relationship more clearly than anyone. In his view, recapturing authenticity depends upon a spiritual connection between people, other creatures, and the land. According to Berry (1993, p. 14):

A healthy community is a form that includes all the local things that are connected by the larger, ultimately mysterious form of the Creation. In speaking of community, then, we are speaking of a complex connection not only among human beings or between humans and their homeland but also between the human economy and nature, between forest or prairie and field or orchard, and between troublesome creatures and pleasant ones. All neighbors are included.

As the preceding discussion illustrates, sustainable community development is hardly a straightforward concept. To develop a more precise definition, it is helpful to begin with the well-known statement of the 1987 World Commission on Environment and Development (also called the Brundtland Commission), which defines sustainable development as "development which meets the needs of the present without compromising the ability of future generations to meet their own needs" (World Commission on Environment and Development 1987, p. 43). Obviously, though, sustainable community development involves a geographic reduction in scope. Broadly speaking, most definitions of sustainable community development stress the importance of striking a balance between environmental concerns and development objectives while simultaneously enhancing local social relationships.

In more specific terms, the ideal typical sustainable community can be defined along five interrelated dimensions (Bridger and Luloff 1999). First, as is the case with standard economic development strategies, there is an emphasis on increasing local economic diversity. Second, virtually all definitions stress the importance of self-reliance, especially economic self-reliance. This is not to be confused with economic self-sufficiency. Self-reliance entails the creation of local markets, local production and processing of previously imported goods, greater cooperation among local economic entities, and the like. Self-reliant communities would still be linked to larger economic structures, but they would have vibrant local economies that would better protect them from the whims of capital than is currently the case. The third dimension centers around a reduction in energy use coupled to the careful management and recycling of waste products. Ideally, this means that the use of energy and material is in balance with the local ecosystem's ability to absorb waste. The fourth dimension focuses on the protection and enhancement of biological and environmental diversity and wise
stewardship of natural resources. Sustainable communities provide a balance between human needs and activities and those of other life forms. Finally, sustainable communities are committed to social justice. Sustainable communities provide for the housing and employment needs of all residents, and they do so without the kind of class and race-based spatial separation that is typical of many localities. As a result, they also ensure equality of access to public services. And perhaps most important, sustainable communities strive to create an empowered citizenry that can effectively participate in local decision-making (Young 1990, p. 251).

Exactly how communities can succeed in all five dimensions is not clear, although it appears that the preferred solution lies in greater local control over a wider range of decisions. The literature is replete with phrases like "devolution of decision-making to the local level" (Gibbs 1994, pp. 106–7), "increased community self-reliance" (Rees and Roseland 1991, p. 17), and "localizing economic production and commerce" (Yanarella and Levine 1992b, p. 305). This language suggests a very active conception of community—one in which communities possess a relatively complete table of social organization and the ability to mobilize for collective, long-term action.

This latter assumption is problematic in several respects. For one thing, studies of community activeness routinely document serious gaps in local social organization and a dearth of locality-oriented actions—especially in rural areas (Wilkinson 1991). Communities do act, but the available evidence suggests that they typically do so in reaction to some perceived crisis (Tilly 1973). Even in communities that can be characterized as active, there is often very little coordination among actors and actions; different interest groups pursue specific objectives largely in isolation from one another (Bridger 1992). Second, the available evidence concerning local economic development—an aspect of community life that occupies a central role in strategies designed to create sustainable communities—suggests that leadership and participation are largely limited to local elites whose interest in development often has much more to do with private gain than community well-being (Molotch 1976; Logan and Molotch 1987; Harvey 1997). A third impediment to local action, as Roland Warren (1972) and others (Berry 1993; Sachs 1995) argue, stems from the increasing reliance on extralocal institutions and sources of income. Decisions and policies may conform in some respects to local needs and wishes, but they are frequently formulated in distant centers with little regard for local social, economic, or environmental consequences. The dependency and consequent vulnerability fostered by this situation leave little room for local maneuvering. Finally, many of the actions that are central to sustainable community development are very different from those found in other kinds of community development initiatives. Here we refer to actions that are intended to protect environmental amenities, balance economic
development interests with environmental protection, or manage commonly held natural resources. What makes these actions so different from typical community development activities, such as building a playground or raising funds for a community center, is that they either involve public goods or pit private property rights against the interests of the larger community. In such cases, there will inevitably be conflicts between the common good and what is in the short term best interests of the individual. This is a substantial barrier to successful action. While it is ultimately in everyone's long-term best interest to have clean air, clean water, and a healthy stock of natural resources, it is perfectly rational, at least in the short run, for individuals to become free riders and reap the benefits of a healthier environment without bearing the costs. And, in many, if not most, instances, it is rational to pursue personal profit at the expense of the larger community. In either case, it is difficult to move toward sustainability.

Social Capital and Sustainable Community Development: Conceptual Issues

Taken together, these are powerful arguments that call into question the prospects for meaningful grass-roots action. It is fortunate, therefore, that increased attention is being given to this topic. Scholars from a variety of disciplines are studying the conditions necessary for increased democratic participation and effective decision-making at the local level. One result of this search has been the emergence of a convergence of interest in social capital.

Although the concept of social capital has been around since at least the early 1960s, when Jane Jacobs used the term in her classic work, *The Death and Life of Great American Cities*, it did not gain widespread currency until recently, with the publication of two influential books: *Making Democracy Work* by Robert Putnam and *Trust* by Francis Fukuyama. What struck reviewers of these books was that although they were written from different ends of the ideological spectrum (Putnam being more liberal and Fukuyama more conservative) they reached the same basic conclusion: successful cooperation for long-term mutual benefit depends on the cultivation of social capital.

The line of reasoning behind this argument is probably most clearly articulated by Putnam, who draws heavily on James Coleman's (1988; 1990) writings on social capital. Putnam conducted a study of twenty regional Italian governments that were created in 1970. The question that motivated his research was—why is it that in some of these regions people were better able to cooperate for the common good? Or, to put things in more specific terms: What factors are associated with successful collective action in cases where the short-term individual benefits are not clear to all participants? In most such instances, even if all parties are predisposed to cooperate, cooperation is nevertheless problematic in the absence of enforceable commitments. This problem is exacerbated by the fact that all parties face the same fundamental predicament. That is, before you
are willing to participate in a collective action, you must trust the other participants. At the same time, you have to believe that the other participants trust you. Without this kind of trust between all parties, cooperation is irrational—despite the fact that without it the long-term outcome will be unsatisfactory to everyone. The tragedy of the commons is one of the best known examples of a rational failure to cooperate. In this scenario, "no herder can limit grazing by anyone else's flock. If he limits his own use of the common meadow, he alone loses. Yet unlimited grazing destroys the common resource on which the livelihood of all depends" (Putnam 1993, p. 163).

The classic solution to this problem is third party enforcement, usually by the state (Putnam 1993, p. 165). In the context of sustainable community development, the state is often invoked as the source of a solution to the inability to reach amicable agreements on such thorny issues as environmental protection vs. economic development, natural resource management, and problems associated with urban sprawl. State intervention typically takes the form of new zoning regulations, court imposed orders, the refusal to extend infrastructure improvements, and the like. Clearly, though, there are serious problems with these sorts of remedies. For one thing, state intervention is costly and the solutions tend to be unstable. State intervention can also create animosity between groups, depressing the probability of voluntary collective action in the future. Perhaps the most fundamental problem, however, is that third party enforcement "is itself a public good" (Putnam 1993, p. 165), which means that it is subject to the same dilemmas it is supposed to solve. For third party enforcement to be effective, the third party has to be trustworthy. Who ensures this? There is no guarantee that the state (local or otherwise) will not use its power to pursue agendas at odds with the public interest.

Although this is a dismal scenario, fortunately it has not been the end of the matter. Realizing that we cannot prescribe or enforce rules and laws that will guarantee cooperation for the common good, the search has turned to the forms of social organization that encourage this behavior. Social capital—which depends on such features of social organization as trust, norms, and networks—facilitates collective action (Putnam 1993). As Coleman (1988, p. 98) puts it, "Like other forms of capital, social capital is productive, making possible the achievement of certain ends that in its absence would not be possible." According to this argument, it follows that "voluntary cooperation is easier in a community that has inherited a substantial stock of social capital" (Putnam 1993, p. 176).

To gain a clearer understanding of how social capital facilitates collective action, it is useful to consider its individual components in more detail. Trust is arguably the most important feature of social capital because it increases the likelihood of cooperation, which in turn reinforces trust. Trust is based on intimate
familiarity with other individuals, especially in small groups. You trust a specific person because you know her well and have first-hand evidence that she has acted honorably in the past, has made promises and kept them, and so forth. This kind of personal trust, which obviously exists in more complex settings, is not a sufficient basis for collective action; there are typically too many participants, and they simply do not know one another very well. A more impersonal form of trust, what Putnam (1993) calls social trust, is required. Social trust arises from two related sources—norms of reciprocity and networks of civic engagement.

In turn, norms of reciprocity typically take two forms—specific and generalized. Specific reciprocity involves the simultaneous exchange of items of similar or equivalent value. An example of this would be the customary exchange of Christmas gifts by co-workers. Generalized reciprocity, in contrast, involves a continuing relationship of exchange that at any particular time is probably unbalanced. What is important about this type of relationship is that there is a mutual expectation that a favor or benefit performed now will be repaid in the future. When the norm of generalized reciprocity is followed, opportunism can be more easily restrained and the potential for successful collective action enhanced. It works to reconcile self-interest and social solidarity because each act in such a system is characterized by a combination of short-term altruism and long-term self-interest. Generalized reciprocity rests on the expectation that if I help you now, you will return the favor in the future. It is argued that as a result, this combination of short-run altruism and long-term self interest makes everyone better off.

Generalized reciprocity is most likely to be found in dense networks of social exchange. In particular, it is associated with networks in which participants are of roughly equal status and power—what might be called horizontal as opposed to vertical networks. Networks of civic engagement are of central importance at the horizontal level. Groups such as the neighborhood association, the volunteer fire department, and the local legion represent fairly intense patterns of interaction. The more dense these networks, the more likely that residents will be able to cooperate for mutual benefit. The most obvious reason is that dense networks of interaction foster the development of strong norms; when people interact with one another in a variety of contexts, they tend to develop strong norms regarding behavioral expectations.

But there are other reasons as well. Repeated encounters across projects and activities decreases the probability that an individual will engage in opportunistic behavior because this would put at risk the benefits she expects to receive from other current and future transactions.

Networks of engagement also facilitate the flow of communication and provide information about the trustworthiness of people and organizations. If col-
lective action depends in part on accurate information about the trustworthiness of potential participants, then it stands to reason that increased communication would strengthen mutual trust (or, alternatively, it would provide sound information about whom not to collaborate with). Finally, networks of engagement characterized by successful action, increase the probability of future action. This is not surprising. The community action literature has repeatedly documented that one of the best predictors of activeness is previous success (Luloff and Wilkinson 1979; Martin and Wilkinson 1984; Wilkinson 1991).

Social capital, with its emphasis on trust and cooperation, is an attractive concept. After all, it holds out the possibility of developing voluntaristic solutions to problems that have not been solved through market mechanisms, government programs or legislation. Thus it is not surprising that both policymakers and scholars have embraced the idea that sustainable communities depend upon creating a healthy stock of social capital. To date, this belief has received very little scrutiny. This is unfortunate because there are some important conceptual issues that must be resolved before we embrace policies that link sustainable community development and social capital.

First, it is important to acknowledge that social capital is rooted in rational action theory, especially Coleman's (1988, 1990) version of rational action. In this framework, people are viewed as purposive agents who make rational, deliberate choices to maximize their utility. Coleman (1988, p. 95) argues that his version of rational action theory overcomes some of the more individualistic approaches in which the actor is seen as "having goals independently arrived at, as acting independently, and as wholly self-interested." In place of these assumptions, Coleman argues, rational action must be seen in its social context. As he (1988, p. 96) puts it, "persons' actions are shaped, redirected, constrained by the social context; norms, interpersonal trust, social networks, and social organization are important in the functioning not only of society but also of the economy." Despite the inclusion of social organization, the underlying conception of the individual remains unchanged. Individuals maximize their utility by calculating the costs and benefits of pursuing alternative courses of action. In the end, as Alexander (1992, p. 208) points out, Coleman retains "the picture of discrete, separated, and independent individuals."

One of the most serious problems with maintaining this view of the individual is the difficulty it presents in accounting for social structure and collective action. In order to reconcile structure and order with independent individuals, it is necessary that individuals relinquish control over activities and resources for conscious and calculated reasons that are in their best interests. But this still leaves open the question of how to explain the convergence between short-term self interest, long-term self interest, and long-term collective interest.
Presumably this dilemma is resolved by the norm of generalized reciprocity, which reconciles individual self interest and solidarity.

When applied to sustainable community development the limits on long-term rationality make this line of reasoning problematic. If there is an indeterminate gap between some altruistic act and an expected benefit, it is not clear what would motivate an actor to behave altruistically. The norm of generalized reciprocity would only seem to hold when an actor has some expectation that a favor will be repaid within the foreseeable future. In the case of sustainable community development, which is by definition a long-term process, the time frame for repayment is difficult to envision.

Ultimately, rational action theory rests on trust as the means for overcoming short-term limits on rationality. The problem here is that trust itself is the result of a rational, calculated decision. In fact, in Coleman’s framework the decision to place trust in an organization or decision when one is not sure about a future payoff is analogous to the decision-making process used when placing a bet. The individual calculates the odds. If the odds favor her, then she would be rational in both trusting the other party and cooperating with it. If the odds are against her, then it would be rational not to cooperate. Coleman puts it this way: “A rational actor will place trust if the ratio of the chance of gain to the chance of loss is greater than the ratio of the amount of potential loss to the amount of potential gain.”

This is not a satisfactory solution to many of the issues involved in sustainable community development. In some instances, of course, sustainable community development will involve actions that allow actors to make reasonable predictions about future payoffs. However, there is another set of actions, including things like the voluntary abrogation of certain property rights and cooperative agreements aimed at reducing externalities associated with production and processing activities, for which future pay-offs are exceedingly difficult to calculate. These involve major concessions, and it is difficult to envision the kinds of long-term benefits that a rational individual could expect to receive which would make up for the losses incurred in the short run. Indeed, in such situations it is difficult to conceptualize how an individual would even begin to calculate odds.

A second issue that must be faced concerns the fungibility of social capital. According to Coleman (1990, p. 302), “Social capital is not completely fungible, but is fungible with respect to specific activities. A given form of social capital that is valuable in facilitating certain actions may be useless or even harmful in others. In short, social capital is not always transferable across networks and domains of action. Thus, it is more than a little misleading to talk about a community’s stock of social capital as if the social capital that inheres within particular networks can simply be aggregated to the community level. Consider, for in-
stance, the five dimensions of sustainable community development discussed earlier. In many communities there are networks composed of groups, organizations, and individuals who are active in each of these dimensions. Whether the social capital that facilitates action in one dimension is supportive of action in other dimensions is problematic. What is also problematic is the extent to which social capital cuts across these networks.

This last issue becomes particularly salient when one considers the patterns of stratification that characterize many communities. For instance, in most communities one can find organizations such as volunteer fire departments, the lions club, voluntary service groups, and so forth. Each of these organizations may be characterized by dense networks of social exchange, a high level of generalized reciprocity, and strong norms regulating the behavior of members. There may also be a good deal of interaction between these groups. Typically, another set of organizations can be found in the community that are thought of as being more “highbrow”—peopled by the local elite. These include groups like the Chamber of Commerce, professional associations, and the Junior League. Like their more modest counterparts, these groups may contain dense networks of association, strong norms of generalized reciprocity (and the trust associated with these), and strong inter-organizational linkages. The problem is that there tends to be relatively few linkages among elite and non-elite organizations, leading to a situation in which it is exceedingly difficult to develop the level of trust necessary for effective collaboration and successful collective action. In such situations, pockets of social capital, each isolated from one another, tend to exist.

Further, even if mechanisms to increase interaction among stratified organizations existed, it is not clear how a high level of trust would emerge, because as Coleman (1990, p. 307) acknowledges, the development of trust depends on “the actual needs that persons have for help, the existence of other sources of aid . . . and the degree of affluence.” Each of these factors is powerfully affected by stratification, regardless of the extent of interaction among groups and individuals.

The problems associated with the fungibility of social capital and stratification point to a more serious gap in the linkage between social capital and sustainable community development. To the extent that social capital exists within a community, it is important that it be situated within this larger context. In our search of the literature, however, we could not find a single study in which the concept of social capital was explicitly connected to a theory of community organization. In most instances, the community seems to serve as little more than a setting or stage. It is not viewed as an important unit of social organization that affects the emergence, maintenance and transformation of social capital. Without bringing a model of community organization firmly into the analysis, creating strategies for sustainable community development on the basis of social capital remains problematic.
Conclusion

Despite the conceptual shortcomings identified above, the concept of social capital deserves serious attention because of the political implications associated with its growing acceptance as a solution to the many problems facing communities today. While most advocates of social capital do not argue that it is a replacement for effective public policy, the concept does lend itself to such an interpretation in the political realm—especially given the arguments which trace declines in social capital to the destruction of primordial forms of social organization and the growth of governmental aid programs (Coleman 1993). When appropriated for political purposes, it can be tempting to use this historical account as a justification for policies that focus more on removing constraints to the formation of social capital than on developing local capacity to solve local problems.

The development of effective policies to strengthen social capital is exacerbated by the fact that social capital, as both Coleman and Putnam readily note, is a public good. "As an attribute of the social structure in which a person is embedded, social capital is not the private property of any of the persons who benefit from it" (Coleman 1990, p. 315). Because of this characteristic, "social capital tends to be undervalued and undersupplied by private agents" (Putnam 1993, p. 170). In other words, while social capital benefits all individuals with a particular social structure, many of the benefits are captured by persons other than those who have worked to create it. Such people do not have an incentive to invest in it. What this means is that social capital is often created as a by-product of other actions. It arises without anyone doing anything to consciously bring it into being.

If this description is correct, it seems reasonable to argue that since private agents tend to underinvest in social capital, some form of public investment might be in order. Unfortunately, even if such public investment was possible, it is difficult to gain consensus on where such investments should be placed. That is, while there clearly is agreement that networks of civic engagement are essential, there is no agreement about the types of engagement from which social capital is most likely to emerge. In his study of regional governments in Italy, for example, Putnam correlated good government with voter turnout, newspaper readership, membership in choral societies and literary circles, Lions Clubs, and soccer clubs. Given this hodgepodge of organizations and types of engagement, it is difficult go beyond the vague recommendation that civic engagement, in general, is important.

As we search for ways to create more sustainable communities in an era of declining public resources, social capital will continue to attract attention. But before we endorse it as sound public policy, a great deal of work remains to be done in terms of developing a more precise definition of the concept, situating
social capital within extant theories of community organization, constructing better measures of the concept, documenting the kinds of civic organizations and networks of engagement most likely to promote social capital, and gaining an understanding of the forms of social capital that are most important in developing sustainable communities. Without answers to these questions, policy prescriptions in which social capital plays a central role will be more firmly rooted in ideology than empirical evidence.

ENDNOTES

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1 Consider, for instance, the ballot initiatives and referendums aimed at reducing suburban sprawl and limiting growth mentioned above. These can be interpreted as attempts to use the political process to exert control over the physical and symbolic boundaries of the local community. They are, in short, efforts to establish a collective identity in the face of forces that threaten to blur local distinctions.

2 As Portes (1988, p. 4) observes, the issue of motivation, especially the motivation of donors in “exchanges mediated by social capital,” remains poorly understood and undertheorized. As he (1988, p. 4) puts it: “More complex are the motivations of donors, who are requested to make these assets available without any immediate return. Such motivations are plural and deserve analysis because they are the core processes that the concept of social capital seeks to capture.”

REFERENCES


