Creating social capital

The distinctive role of the non-government agency

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This paper is based on an address given at the Oz Child Annual General Meeting on 7 December 1998 in Dandenong, Victoria.

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The terms 'civil society' and 'social capital' have recently gained currency and become the focus of attention from both the left and the right of the political spectrum. What do we mean by these terms? And where does the not-for-profit welfare agency fit in relation to these concepts?

Civil society is that which exists outside of the family, the market and government. From the church choir to community-based child care, from the cricket club to scouts, from Rotary to the Country Fire Authority, from Landcare to Neighbourhood Watch, civil society is based on voluntary associationalism. Before the emergence of the welfare state, mutual aid associations such as co-operatives and friendly societies developed, some growing out of the labour movement, to provide protection against illness or unemployment. In the aftermath of the First World War the uniquely Australian institution of Legacy was created by ex-servicemen to care for the families of their fallen comrades. These types of voluntary associations are the backbone of civil society. They help to provide the glue which holds it together. They form the infrastructure through which social capital is created and flows.

Social capital refers to the trust and mutuality which exists within the web of relationships which are at the core of a community and which are based on shared values and norms. It goes beyond the mutual aid given within families 'to their own', extending even to those who remain strangers, and without necessarily being dependent upon a direct or immediate reciprocity. To me the Red Cross Blood Bank is perhaps the most graphic symbol of social capital. We take such a service for granted until we go to a society where human blood must be donated by family members or is a product provided by the market, typically purchased from those with nothing else to sell and sold to those who need it and who can afford to buy it. There is something very special about a society in which strangers give their blood to those whom they will never know. It is fashionable to denigrate our cultural heritage but what an extraordinary heritage it is that we have had bequeathed to us in this society.

Societies such as ours have more permeable boundaries between the family and the broader community than exists in some other cultures. While the weakness of this is that it can dilute the cohesion of the family, the strength of this is that it can extend the resources of families to those beyond the confines of the clan. Earlier this year I spoke with a Professor of Social Work from Japan who was visiting some of our child welfare agencies. He explained to me why in Japan's child welfare system the children are still in institutions and why there is no foster care – the boundary around the family is too impermeable to allow children not of its blood line to be admitted. We take foster families for granted and I have even heard a senior manager in the Department of Human Services talk of foster families in terms of 'bed occupancy rates'. This is the language of the market place and the bureaucracy imposed upon civil society. Foster families do not just provide beds

or houses. They provide homes and a place in their heart for a child who is not of their flesh. This is a precious gift indeed and it is at our own peril that we fail to recognise it as such.

Like clean water, we are hardly even aware of social capital until it begins to disappear. Our very use of the term may be indicative of a dawning recognition of its diminution. Collectively, we are beginning to feel the loss of a sense of belonging and connectedness. Our hunger for a cohesive community is reflected in our tendency to romanticise the life of the village or the small country town, and in the immense popularity of television series which allow us to enter make believe communities. We may not know our next door neighbours, but we know the neighbours in Neighbours, or its upmarket equivalents such as Ballykissangel. Psychologically we are vicariously nurtured by temporarily inhabiting these make believe social worlds. Whether of course we would be prepared to live in a cohesive community in reality is another matter for the cohesive community may be tantamount to the claustrophobic community for many of us.

This poses the question as to whether we can have high levels of social capital in a pluralistic and individualistic society. The sociologist and founder of the Communitarian movement, Etzioni (1993), does not use the term social capital but he is essentially concerned with the same thing – how to strengthen mutuality and social cohesion in communities, and he argues that we need a new balance between our rights as individuals and our social responsibilities. He sees shared values as critical to mutual trust, and in a pluralistic society how much mutual trust can we expect to have in the absence of shared values? In many neighbourhoods of half a century or more ago doors were left unlocked and people kept an eye on each other's children, but they also had no hesitation in telling other people's children off when they behaved badly. Who today would dare tell their neighbour's child he or she was doing the wrong thing for fear of being seen as an interfering outsider? As children become increasingly perceived as belonging to their individual families, they lose their birthright to membership of the community. We say it takes a village to raise a child. If this is so, what might it take to rebuild the village?

Social care and social control may be inevitably intertwined. Can we have the care without the control? Perhaps not. I can vividly recall our elderly Maltese neighbours in an inner urban street in which we once lived, and how they carried within them the ethos of the village from whence they came. They would look out for other people's children playing in the street but they also had not the slightest hesitation in telling parents whom they discovered were lapsed Catholics that they should be going to Mass!

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Mark Latham captures our ambivalence well when he says:

> Suddenly it seems, the post-modern flight from the crushing parochialism of the feudal village and the closed, often intolerant community has run headlong into a persistent yearning for context and for social meaning, defined on a scale that matches people's lives, ambitions and responsibilities. (Latham, 1998, p. 90).

The contemporary retreat to tribalism based on identity markers as varied as ethnicity, sexual preference, religious affiliation, the type of motor bike we ride or our football club, expresses the yearning for a clan. But does cohesion within the clan, which is typically based on unity against the common enemy, those outside the clan boundaries, add to social capital, that store of trust and mutuality which cuts across our clans and exists within the broader community?

There are many broad historical factors which contribute to the diminution of social capital. Of the more immediate factors, Mark Latham points to economic changes associated with globalisation and privatisation and the associated massive restructuring of the workforce contributing to the economic and social exclusion of large numbers of people from mainstream society. The social impact of such forces is very different from the Great Depression when there were very cohesive working class communities. Latham sees diminished social capital as symbolised by the growth of walled housing estates and the retreat to a private living space with increasingly rigid boundaries between public and private.

The antithesis of social capital is lack of trust between members of a society. In recent times this has been particularly evident along inter-generational lines. This first came home to me a decade ago when my son, then 7 years old, would occasionally go to his grandmother's home after school. The school and her retirement village were in the same suburban street, only a couple of hundred yards apart but there was no social connection between them. To reach her unit he had to walk right through the retirement village and on more than one occasion he was challenged by residents who demanded to know what he was doing in their territory.

The footpaths in the retirement village were seen as private and not public space and legally this was correct. Similarly, modern shopping centres are not public space but privately owned space with their own security personnel who move adolescents on if they gather in groups of more than a few. These examples are the diagnostic indicators of diminished social capital.

In addition to economic restructuring and the resultant chronically high levels of youth unemployment, the pervasive and all powerful global media, especially television, is a major force in defining social norms, values and sources of social recognition. The media is a potent force, increasingly challenging the family and the school as the core vehicles of socialisation, conveying consumerism as the dominant value,

and creating a climate of fear about crime.

The concept of social capital is a bit like motherhood – everyone thinks that it's a good thing, but there are various agendas going on in the way the concept is used. Talk of social capital is sometimes used to preach greater self-reliance by families and less dependence on the state and to justify the retreat of the welfare state. However, Robert Putnam, who pioneered the concept of social capital in his 1993 seminal work 'Making Democracy Work: Civic Traditions in Modern Italy', found that regions which were richer in social capital had higher levels of government service provision. But more importantly than the size of the public sector, such regions had traditions dating back to the Middle Ages of greater civic involvement.

Current discussion of social capital is closely related to debates about what constitutes the appropriate balance between the state, the market, the community and the family in meeting the needs of people, especially children, the elderly or the disabled. What happens to those who lack family supports and who also lack the means to purchase the assistance they need from the market? In the area of intellectual disability, for example, we are increasingly seeing user-pays principles applied to the provision of services in an era of deinsitutionalisation, with families being required to make increasing contributions to the care for their child or relative with a disability. In the past such services were largely seen as the responsibility of the state, with the resources of the whole community redistributed via the taxation system to meet such needs. When we hear talk of 'community care' then, is what is really meant 'family care' which in turn means care by female relatives?

Where does the non-government agency fit into all of this? Well there is the danger that NGOs will unwittingly conspire with the shrinking of the welfare state, replacing services based on citizenship rights with services based on charity. There are some functions performed by the state, such as income security, that NGOs should resist taking on but there are other functions which NGOs have the potential to perform far better than government.

There are gains in giving and there are costs in receiving and NGOs can and should facilitate acts of giving in ways which reduce the cost of receiving in terms of loss of dignity and self-esteem.

Martin Stewart-Weeks (Norton, et al, 1997), in a recent discussion of voluntary associations, argued that voluntary organisations have the potential, not always fulfilled of course, 'to bind people close to the collective problem they are trying to solve'. One of the great assets of NGOs is also that they are perceived by the community as symbols of altruism and can draw to them people who share their vision and their values, and thus act as banks for generating and transferring social capital. People are thus more likely to volunteer to assist others when this is mediated by NGOs than when it is mediated by government, except in extremes such as natural disasters or in times of war. The authority, formality and bureaucratic nature of government services means that they are less able to tap the reservoir of goodwill, or the spring of social capital which exists within the community.

In acting as conduits for altruism, NGOs can do this in ways which maximise the growth of social capital. There are gains in giving and there are costs in receiving and NGOs can and should facilitate acts of giving in ways which reduce the cost of receiving in terms of loss of dignity and self-esteem. Some of the most exciting programs which I have seen NGOs introduce very recently have built into their very design ways of enabling those who receive assistance to give back. I see this as social capital with compounding interest. I am thinking for example of the North American program, FAST (Families and Schools Together), which Kildonan has introduced to Australia with the assistance of The Ian Potter Foundation, and the UK program, NEWPIN, which Burnside in NSW has recently introduced. Both of these very different programs have an interesting common therapeutic ingredient - they have created structures of reciprocity through which clients or consumers go on to become voluntary co-workers in the program, and give back to others who are in a similar situation as they once were. The principle is not new – it is the foundation stone of Alcoholics Anonymous of course, but it is being implemented in increasingly sophisticated ways.

Such program models require a certain adaptation on behalf of professionals as they require a shift in thinking from seeing the professional as the central figure to seeing the professional as the catalyst of peer based support. Sometimes the preoccupations of professions with status and their own upward occupational mobility can create a culture in an agency which destroys social capital. Volunteers who provide practical assistance with transport, child care or running the Opportunity Shop will quickly get the message that they are second class citizens in the agency if, for example, 'counselling' and 'therapy' are valued over all else. Such status hierarchies are likely to deter voluntaryism and stop the agency from acting as a vehicle of social integration. Professionalism is vital to perform certain tasks but it must be harnessed toward serving the agency and not itself.

The process of professionalisation of NGOs, while bringing many advantages, has also created difficulties where paid workers may fear their replacement with volunteers. This may be a legitimate industrial concern. It is therefore perhaps not surprising that few agencies have been able to integrate family support programs using paid staff and home visiting programs using volunteers, despite the obvious need for such programs to be closely linked with one another. The successful integration of paid and voluntary labour is not easy but there are agencies which have done this successfully. One of the keys would appear to be the capacity of the agency leadership to inspire a strong collective

commitment to the agency vision and to nurture an ethos in which all are valued for their different contributions.

This will depend on whether those leading the agency also share the vision. Stewart Weeks also notes the professionalisation of management in NGOs, in which managers 'hired for their managerial skills, not necessarily for their commitment to the cause ... leads to a situation where the distinction between voluntary association and commercial service provider becomes (or could become) blurred. At what point along that continuum ... does the association transform into a new institutional form which is neither capable of, nor interested in, supplying those significant values, skills and habits of self-government and voluntary social collaboration?' he asks (Norton et al, 1997, p. 106).

It is vital that the cornerstone of civil society, the NGO, does not become an endangered species. To survive it will need to adapt to its rapidly changing environment but simultaneously resist remaking itself in the image of the state or the market.

Bureaucratisation, like professionalisation, is a process which most NGOs have experienced as they have grown and evolved over time. In part bureaucratisation is an inevitable outcome of organisational growth, leading to a more rigid division of labour and greater proceduralism. This type of organisational structure, based on formality and rules, stifles social capital which is based on informality and shared values of mutuality.

In the current environment, there are dangers that NGOs will lose their soul through increasing dependence on government. With the tendering of programs with rigid specifications, I fear that this is already happening. Rose-Ackerman (1996) warns of the dangers of over-regulation:

> Heavy-handed regulation ... will undermine the benefits of ideological diversity and service differentiation. A lightly regulated nonprofit sector may provide higher levels of both diversity and quality than a regulatory regime that eliminates the differences between organisational forms.

Paradoxically, voluntary associations are used by government not just because they might be a cheaper way to deliver a service (they might not be) but because they are believed to be more flexible, more responsive and closer to the recipients of the assistance. They are also the source of much innovation. In the field with which I am most familiar, that of child welfare, from the earliest 'boarding out' or foster care programs in the late nineteenth century in South Australia to the deinstitutionalisation of children's homes in the 1960s and the introduction of intensive family preservation programs in the early 1990s, innovation has largely had its origins in the non-government sector.

Stewart-Weeks argues that just as

> ... we have come to recognise and value the importance of biodiversity as a foundation principle of environmental survival and ecological sustainability, so it seems we need to embrace the notion of institutional 'biodiversity' which nurtures and seeks to extend the range of institutional forms on which we can draw, and the 'habitats' in which they flourish and can work most effectively' (Norton et al, 1997, p. 101).

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