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Social Capital and Democracy

Roberto D. Putnam



Social Capital and Democracy 03

Social Capital and Inflation in Brazil 15



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1. Social Capital and Democracy

Robert D. Putnam

Editor's note: *Robert Putnam raised some disturbing questions at the international conference of the Fernand Braudel Institute of World Economics on Governability: The Political Economy of Scale, held in four Brazilian cities in May 1994. Why is the success of democracy apparently linked to development of social capital, embodied in informal association of citizens in smaller groups such as choral societies, bowling leagues and parent-teachers associations? Why is such civic engagement declining in the United States? What does the erosion of face-to-face community relationships mean for the future of democracy?*

When a different version of Putnam's conference paper appeared earlier this year, under the whimsical title 'Bowling Alone,' it provoked both adulation and controversy in Washington. It became required reading for the White House staff after Putnam was invited to Camp David for six hours of conversation with President Bill Clinton and his wife Hillary on the weekend before Clinton gave his State of the Union message. Senator Bill Bradley chimed in: "Like fish floating on the surface of a polluted river, the network of voluntary associations in America seems to be dying." Putnam's finding about the decline of bowling leagues as a form of social capital was used by conservative columnist George Will to warn of the need of "rescuing the little platoons from the federal government's big battalions. So if you are seeking a small leading indicator of the success of conservatism, look for increasing participation in, among other things, bowling leagues." William Powers of The Washington Post asked other questions: "What if Americans actually have been striving for centuries to get away from one another? What if life in this country has always been more about fleeing community than about joining clubs and leagues? What if we don't want to stop bowling alone?" Putnam's essay in this issue of Braudel Papers, as well as Norman Gall's accompanying observations on social capital in Brazil, form part of a continuing dialogue on the roles of individual and community action in development of democracy.

When the political theorist Alexis de Tocqueville visited the United States in the 1830s, he saw the Americans' penchant for civic association as the key to their ability, unique in those times, to make democracy

work. Recently, we have seen a wide range of evidence showing that his argument is no less true today, and not only in America. The quality of public life and social institutions are powerfully influenced by norms and networks of civic engagement, now under continuous stress, distraction and transformation.

Tocqueville was one of many 19th Century travelers who, like Alexander von Humboldt and Charles Darwin, advanced European understanding of the New World. A 25 year-old assistant magistrate, eager to inquire into the workings of democracy, he wangled an unpaid commission from the French government in 1831 to survey prison conditions in the United States. Financed by their families, Tocqueville and a friend roamed the raw country for nine months, traveling on horseback, stagecoaches and steamers as far south as New Orleans and as far west Sault St. Marie, Michigan. Upon their return, Tocqueville published his classic *Democracy in America*, an instant best-seller in European political circles furiously debating freedom and despotism after the French Revolution and the Napoleonic Wars. In one of his most trenchant observations, Tocqueville wrote: "Freedom produces private animosities, but despotism gives birth to general indifference." And he asked: "What political power could ever carry on the vast multitude of lesser undertakings which the American citizens perform every day, with the assistance of the principle of association?"

This question is with us today, in established democracies like those of the United States and the European Union and new democracies like those of Brazil and other Latin American republics as well as in the newly liberated states of the former Soviet bloc. It embraces issues of private vs. Government ownership of economic enterprise and infrastructure, of federalism and decentralization and of the political role of local communities.

Recent research in a wide range of contexts confirms that the norms and networks of civic engagement (now rebaptized social capital) can improve education, diminish poverty, inhibit crime, boost economic performance, foster better government and even reduce mortality. Conversely, deficiencies in social capital

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contribute to many social, economic and political ills. New evidence suggests, however, that civic engagement of all sorts has declined in the United States over the past generation.

This essay analyzes the recent shrinkage of social capital in the United States, which in 1965 was among the world leaders in social trust and civic engagement. By 1990 it had fallen in both categories. The recent deterioration has been great enough that (if no other country changed its position in the meantime) another quarter century of change at the same rate would bring the United States to roughly the midpoint among all these countries, equivalent to South Korea, Belgium or Estonia today. Two generations' decline at the same rate would leave us at the level of today's Chile, Portugal and Slovenia. The trends sketched in this essay are disturbing. Recent surveys in both the United States and Brazil show increasing disillusion with parties and politicians, a trend that seems to extend to voters in other Latin American republics and in Europe, Japan and India. In Brazil, lack of civic engagement has been a major obstacle to political development. Indeed, the 1990-91 World Values Survey, directed by Ronald Ingle-



Americans of all ages, all stations in life, and all types of disposition are forever forming associations. There are not only commercial and industrial associations in which all take part, but others of a thousand different types religious, moral, serious, futile, very general and very limited, immensely large and very minute... Thus the most democratic country in the world now is that in which men have in our time carried to the highest perfection the art of pursuing in common the objects of common desires and have applied this new technique to the greatest number of purposes... Nothing, in my view, deserves more attention than the intellectual and moral associations in America.

Alexis de Tocqueville, *Democracy in America* (1835)

hart at the Institute for Social Research of the University of Michigan, reported that Brazil measured lowest among the 35 countries surveyed in social trust and one of the lowest in civic engagement (associational memberships per 100 respondents).

In his State of the Union address to Congress on January 25, 1995, President Bill Clinton described this wasting of civic engagement in the United States: "We see our families and our communities coming apart. Our common ground is shifting out from under us. The PTA, the town hall meeting, the ball park — it's hard for many overworked Americans to find the time and space for the things that strengthen the bonds of trust and cooperation among citizens. And too many of our children don't have the parents and grandparents who can give them the experiences they need to build character and strengthen identity."

What can explain this turn of events? Several explanations are possible. Women have moved massively into the paid labor force. Geographic mobility of individuals and families weakens community bonds. Technological change is privatizing leisure-time. Whatever the complex causes of this weakening

of social connectedness, they contribute to many of the social and political ills afflicting the United States and other democracies. We need to discover new ways to reinvest in social capital.

There are many facets to these changes. Beyond the familiar falloff in electoral turnout, many other forms of political participation have also declined significantly over the last two decades, at the same time that political alienation and distrust in public institutions has climbed. Participation has fallen (often sharply) in many types of civic associations, from religious groups to labor unions, from women's clubs to fraternal clubs, and from neighborhood gatherings to bowling leagues. Virtually all segments of society have been afflicted by this lessening in social connectedness, and this trend, in turn, is strongly correlated with declining social trust. In sum, American social capital has badly eroded in the last quarter century.

In education, for instance, researchers have found that successful schools are distinguished not so much by the content of their curriculum or the quality of their teachers as by their embeddedness in a broader fabric of supportive families and communities. Scholars and practitioners concerned about urban poverty and joblessness have similarly focused on the role of community networks and norms.

Although the empirical verdict is not yet complete, one careful study by Anne Case and Lawrence Katz of the prospects of youths in Boston illustrates the phenomenon that has attracted so much attention. Controlling for all relevant individual characteristics (such as race, gender, education, parental education, family structure, religious involvement, and so on), youths whose neighbors attend church are more likely to have a job and less likely to use drugs or be involved in criminal activity. In other words, churchgoing (the most common form of civic engagement in America) influences the behavior and life prospects of bystanders, whether or not they themselves are so engaged.

Similarly, research on the varying economic attainments of different ethnic groups in the U.S. has demonstrated the importance of social bonds within each group. These results are consistent with research in a wide range of settings which demonstrates the vital importance of social networks for job placement and many other economic outcomes.

Meanwhile, a seemingly unrelated body of research on the sociology of economic development has also focused attention on the role of social networks. Some of this work is situated in the developing countries, and some of it explains the peculiarly successful network

capitalism of East Asia. Even in less exotic Western economies, researchers have discovered highly efficient and flexible industrial districts, based on networks of collaboration among workers and small entrepreneurs. Far from being paleo-industrial anachronisms, these dense interpersonal and inter-organizational networks support ultramodern industries, from the high tech of Silicon Valley to the high fashion of Benetton.

The control of crime and illicit drugs is another arena of great concern in which recent research emphasizes the importance of community norms and networks. The so-called community policing movement that has played a prominent role in recent reforms across the United States rests on empirical evidence that informal social control is much more effective than formal law enforcement in reducing criminality and violence. Similarly, several recent studies suggest the efficacy of community coalitions in reducing drug and alcohol abuse. Although some have questioned the policy implications of this work, arguing that viable community organizations cannot be created where they do not naturally exist, there is little dispute that, where neighborhood social bonds do exist, they provide a powerful deterrent and defense against the interrelated plagues of drugs and crime.

The norms and networks of civic engagement also powerfully affect the performance of representative government. That, at least, was the central conclusion of my own 20-year, quasi-experimental study of subnational governments in different regions of Italy. Although all these regional governments seemed identical on paper, their levels of effectiveness varied dramatically. Systematic inquiry showed that government quality was determined by long-standing traditions of civic engagement (or its absence). Voter turnout, newspaper readership, membership in choral societies and football clubs — these were the hallmarks of a successful region. In fact, historical analysis suggested that these networks of organized reciprocity and civic solidarity, far from being an outcome of socioeconomic modernization, were a precondition for it.

Epidemiologists find that social ties even affect physical morbidity and mortality. An as-yet-unpublished study of the comparative effectiveness of anti-AIDS interventions among at-risk populations (prostitutes, IV drug users, teenage runaways, and so on) in various American communities, for example, seems to show that a given program will be substantially more effective when the target population, no matter how disconnected from the larger society, is characterized by greater internal connectedness. Other research on the general population

has found that people with comparatively few social and community ties face substantially greater risks of physical and mental illness and mortality, controlling for socioeconomic status and for physiological risk factors. Joining, in short, is good for your health.

No doubt the mechanisms through which civic engagement and social connectedness produce all these miraculous results — better schools, faster growth, less crime, more effective government and even longer lives are multiple and complex. Nevertheless, the parallels across hundreds of empirical studies in a dozen disparate disciplines are striking. Social scientists recently have suggested a common framework for understanding these phenomena, a framework resting on the concept of social capital. By analogy with notions of physical capital and human capital — tools and training that enhance individual productivity — social capital refers to features of social organization, such as networks, norms and social trust, that facilitate coordination and cooperation for mutual benefit.

For many reasons, life is easier in a community blessed with a substantial stock of social capital. In the first

place, networks of civic engagement foster sturdy norms of generalized reciprocity and encourage the emergence of social trust. Such networks facilitate coordination and communication, amplify reputations, and thus allow dilemmas of collective action to be resolved. When economic and political negotiation is embedded in dense networks of social interaction, incentives for opportunism are reduced. At the same time, networks of civic engagement embody past success in collaboration, which can serve as a cultural pattern and precedent for future cooperation. Finally, dense networks of interaction broaden individuals' sense of self, developing the I into the we, or (in the language of rational choice theories) enhancing their taste for collective benefits.

This essay neither surveys nor contributes to development of the theory of social capital. Instead, the central premise of that rapidly growing body of work that social connections and civic engagement pervasively influence our public life, as well as our private prospects — forms our starting point for an empirical survey of trends in social capital in the contemporary United States.

2. Trends in Civic Engagement

Since Tocqueville's classic inquiry, the United States has been a main focus of systematic studies of the links between democracy and civil society. Trends in American life are often regarded as harbingers of social modernization. The United States also has been traditionally seen as a land of unusually strong civic vocation. For those reasons, too, this essay concentrates on the American case, although the developments like those analyzed here may be evolving in many contemporary societies. A preliminary caution: Although informal norms and networks constitute highly important forms of social capital, measures of civic engagement in formal organizational and institutional contexts are used here almost exclusively. The reason is simply methodological: For accurate, quantitative assessments of change, we need data that have been regularly collected over a span of years, if not decades. Such data usually are confined to formal contexts.

We begin with familiar evidence on changing patterns of political participation, with the well-known decline in turnout in American national elections over the last three decades, not least because of its relevance to issues of democracy in the narrow sense. A longer perspective would show that the post-1960 decline

was essentially a resumption of a downward trend in electoral participation throughout this century. From a relative high point in the early 1960s, voter turnout had by 1990 declined by nearly a quarter; tens of millions of Americans had forsaken their parents' readiness to engage in the simplest act of citizenship. (The presidential election of 1992, with its unusually strong third-party candidacy, witnessed a partial rebound, but the durability of this recent uptick remains highly questionable.) Broadly similar trends also characterize participation in state and local elections.

Not only the voting booth has been abandoned increasingly. A series of identical questions posed by the Roper organization to national samples ten times each year over the last two decades revealed that since 1973 the number of Americans who report that in the past year they have attended a public meeting on town or school affairs has fallen by more than a third, from 22% in 1973 to 13% in 1993, rivaling the low levels of civic participation reported by surveys in Brazil. Other declines in U.S. political participation are found in response to questions about writing to members of Congress, attending a rally, serving on a committee of some local organization and working for a political

party. Even as a spectator sport, civic engagement has become rarer in recent decades. Daily newspaper readership fell by nearly a quarter between 1970 and 1993. By almost every measure, direct engagement in politics and government in the United States has fallen steadily and sharply over the last generation, despite the fact that average levels of education the best individual-level predictor of political participation — have risen sharply throughout this period. Every year over the last decade or two, millions of citizens more have withdrawn from the affairs of their communities.

Not coincidentally, Americans have also disengaged psychologically from politics and government over this era. Evidence from two long-term data series shows:

Distrust in Government. How much do you trust the government in Washington to do what is right all of the time, most of the time, some of the time or almost never? The number of Americans choosing one of the two less trusting alternatives has risen from 30% in 1966 to 75% in 1992. Longer data series show that trust in government peaked in 1964 and has continued to decline even after 1992.

Social Alienation. The Harris Alienation Index is based on the average level of agreement with five statements posed to national samples of Americans every year since 1966:

The people running the country don't really care what happens to you.

Most people with power try to take advantage of people like yourself.

You're left out of things going on around you.

What you think doesn't count very much anymore.

The rich get richer and the poor get poorer.

Every item on this list has won more and more assent from Americans in recent years. By any measure, political alienation and disengagement have soared over the last three decades.

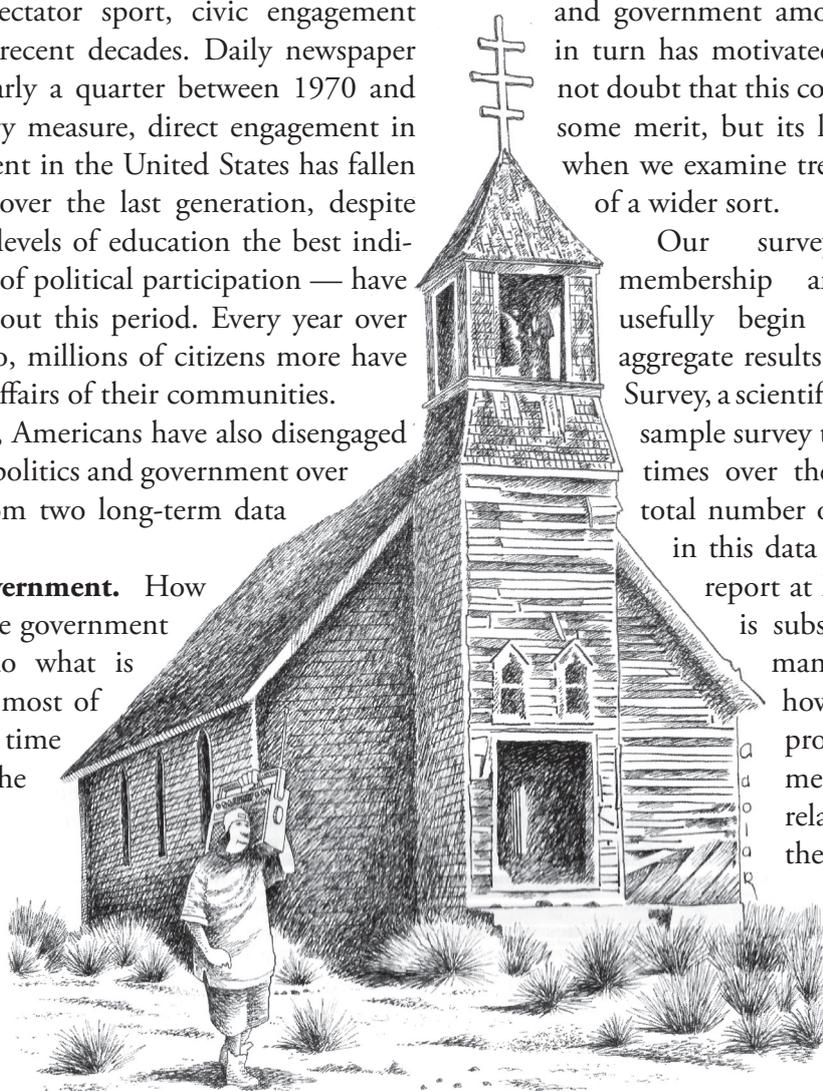
The trends that we have just reviewed are, of course, well-known, and taken alone, they would seem amenable to a strictly political explanation. Perhaps, for example, the long litany of political tragedies and scandals since the 1960s (assassinations, Vietnam, Watergate, Irangate, etc.) has triggered an understandable disgust for politics

and government among Americans, and that in turn has motivated their withdrawal. I do not doubt that this common interpretation has some merit, but its limitations become plain when we examine trends in civic engagement of a wider sort.

Our survey of organizational membership among Americans can usefully begin with a glance at the aggregate results from the General Social Survey, a scientifically-conducted national sample survey that has been repeated 14 times over the last two decades. The total number of memberships reported in this data (70% of all respondents report at least one such affiliation) is substantially higher than in many other surveys, reflecting how exhaustively the GSS probes for various group memberships. Church-related groups constitute the most common type of membership, especially among women, but also among men. Other relatively common types of organizational memberships among women include school

service groups (mostly parent-teacher associations), sports groups and professional and literary societies. Among men, sports clubs, labor unions, professional societies, fraternal groups, veterans' groups and service clubs are all relatively frequent. In the analysis that follows, we deploy the best available evidence on trends in membership in virtually all these types of organization, using both actual membership figures (where they are available) and survey data.

Religious affiliation is by far the most common associational membership among Americans. Indeed, by many measures America continues to be (even more than in Tocqueville's time) an astonishingly churched society. For example, the United States has more houses of worship per capita than in any other nation on Earth. Against a backdrop of widespread expectations that modernization and secularization would cause organized religion to wither away, most sociologists of American religion have emphasized that religious affiliation is probably more prevalent in contemporary American than in 1776 and that religious beliefs and practices



have been relatively stable over the last half century. On the other hand, it is also true that membership in most mainline denominations has hemorrhaged over the several decades, with those losses partially offset by a rapid expansion in evangelical and fundamentalist congregations. Moreover, religious sentiment in America seems to be becoming somewhat more self-defined. As the leading student of American religious behavior has said, We are becoming less theologically and institutionally grounded and more inclined toward making up our own faiths as we go along. How have these complex cross-currents played out over the last three or four decades in terms of Americans' engagement with organized religion?

The net balance in formal religious observance over the last 40 years, from a straightforward question about church attendance in the last week has been tested repeatedly in Gallup polls throughout this period. The general pattern is clear: the 1960s witnessed a significant drop in reported weekly churchgoing from roughly 48% in the late 1950s to roughly 41% in the early 1970s. Thereafter, according to the Gallup data, reported church attendance has been rock-steady at 40-42%, although other surveys show a continuing decline.

Religious engagement, of course, means more than attendance at weekly worship services, for many Americans are intensely involved in a wide variety of other church-related groups, such as Sunday schools, Bible study groups, havurot, singles groups and so on. During the 1980s the small-group movement may have grown rapidly, especially as religious leaders saw its potential as a way of revitalizing declining congregations and of achieving rapid growth in new congregations. However, in the face of incomplete and contradictory evidence, the best estimate we can venture is that net participation by Americans, both in religious services and in church-related groups, probably has declined modestly (by perhaps a sixth) since the 1960s.

For many years, labor unions provided one of the most common organizational affiliations among American workers. This has remained true in recent decades. However, union membership has been falling for nearly four decades, with the steepest decline occurring between 1975 and 1985. Since the mid-1950s, when union membership peaked, the unionized portion of the non-agricultural work force in America fell by more than half, from 32.5% in 1953 to 15.8% in 1992. By now, virtually all the explosive growth in union membership associated with the New Deal has been erased. The solidarity of union halls is now mostly a fading memory of aging men.

An important form of civic engagement in the United States in the 20th Century has been the parent-teacher association (PTA). It is important not just because it is (or at least, was) one of the most common associational memberships, but also because parental involvement in the educational process represents a particularly productive form of social capital. So we are dismayed to discover that participation in parent-teacher organizations has dropped catastrophically over the last generation. Nationwide, PTA membership fell from more than 12 million in 1964 to barely 5 million in 1982 before recovering to approximately 7 million now. To interpret these changes more accurately, we must adjust for demographic changes. The slide actually began in 1960 and continued relentlessly for more than two decades. The post-1982 recovery in absolute numbers is inflated by rising school enrollments. So the proportion of American parents organizationally engaged with their children's schools dropped by more than half between 1960 and 1975 and has hardly recovered since then.

Membership in (and volunteering for) civic and fraternal organizations also declined. The rank and file in traditional women's groups has declined steadily since the mid-1960s. Membership in the national Federation of Women's Clubs is down by more than half (59%) since 1964, while the League of Women Voters (LWV) has shrunk by 42% since 1969.

Similar reductions are apparent in the numbers of volunteers for mainline civic organizations, such as the Boy Scouts (off by 26% since 1970) and the Red Cross (off by 61% since 1970). But what 'about the possibility that volunteers have simply switched their loyalties to other organizations? Survey evidence on volunteering has become available only recently and is plagued by imprecision about what counts as volunteer work: Should taking in the newspapers for a vacationing neighbor count, as it does in some national surveys? However, evidence on regular (as opposed to occasional or drop-by) volunteering is available from the Labor Department's Current Population Survey (CPS) in 1974 and 1989. The CPS estimates, based on massive samples of 60,000 households and carefully constructed so as to be comparable across time, suggest that serious volunteering declined by roughly one sixth over these 15 years, from 24% of adults in 1974 to 20% in 1989. Although a decline of four percent may seem modest, it represents nearly eight million fewer volunteers nationwide in 1989 than in 1974. The multitudes of Red Cross aides and Boy Scout troop leaders now missing in action have not been offset by equal multitudes of new recruits elsewhere.

Fraternal organizations have traditionally been an important form of social engagement for American men. There has been a substantial and almost simultaneous drop in membership in many such groups during the 1980s and 1990s. Even without controlling for population growth, membership is significantly down for such groups as the Lions (off 12% since 1983), the Elks (off 18% since 1979), the Shriners (off 27% since 1979), and the Jaycees (off 44% since 1979). Membership in the Masons, the oldest and largest fraternal body in the world, fell by 39% from a peak of 4.1 million in 1959 and to around 2.5 million now. While membership in organizations catering mainly to women (including the PTA, roughly 90% of whose members are female), began to plunge in the 1960s, the declines in most men's organizations began 10-15 years later. Whatever this means, the weight of the evidence is substantial: After expanding steadily throughout most of this century, the key civic organizations in many American communities have experienced a sudden, substantial and nearly simultaneous decline in membership over the last decade or two.

The most whimsical, yet discomfiting form of social disengagement in contemporary America that I have found is this: More Americans are bowling today than ever before, but league bowling has plummeted in the last 10-15 years. Between 1980 and 1993 the total number of bowlers in America increased by 10 percent, while league bowling decreased by 40 percent. (Lest bowling be thought a wholly trivial example, I should note that — according to the American Bowling Congress — nearly 80 million Americans bowled at some point during 1993, nearly a third more than voted in the 1994 Congressional elections and as many as claim to attend church regularly. Even after the 1980s' plunge in league bowling, nearly three percent of American adults regularly bowl in leagues. The rise of solo bowling threatens the livelihood of bowling lane proprietors because league bowlers consume three times as much beer and pizza as solo bowlers, and the money in bowling is in the beer and pizza, not the balls and shoes. The broader social meaning, however, lies in the social interaction and occasional civic conversations over beer and pizza that solo bowlers forgo. Whether or not bowling beats balloting in the eyes of most Americans, team bowling shows yet another form of social capital in decline.

At this stage, however, we must confront a serious counter-argument. It might be said that traditional

forms of civic organization whose decay we have thus far traced have been replaced by vibrant new organizations. For example, national environmental organizations, like the Sierra Club, and feminist groups, like the National Organization for Women, grew rapidly during the 1970s and 1980s and now count hundreds of thousands of dues-paying members. A more dramatic example is the American Association of Retired People (AARP), which surged from 400,000 members in 1960 to 33 million in 1993, becoming (after the Catholic Church) the largest private organization in the world. The national managers of these organizations are among the most feared lobbyists in Washington, mainly because of their huge mailing lists of presumably loyal members.

These new mass organizations are very important politically. In terms of social connectedness, however, they are different enough from classic secondary associations that we need to invent a new label — perhaps tertiary associations. For the vast majority of their members, the only act of membership consists in writing a check for dues or perhaps reading a newsletter. Few ever attend any meetings of such organizations. The bond between any two members of the Sierra Club is less like the bond between members of a gardening club and more like the bond between Red Sox fans or any two devoted Honda owners. They root for the same team and they share some of the same interests, but they are unaware of each other's existence as individuals. Their ties, in

short, are to common symbols, common leaders and perhaps common ideals, but not to each other. The theory of social capital argues that associational

membership should, for example, increase social trust, but this prediction is much less straightforward for tertiary associations. In terms of social linkages, putting the Environmental Defense Fund and a bowling league in the same category is a basic conceptual mistake.

If the growth of tertiary organizations represents one potential (but probably not real) counter-example to my thesis, a second countertrend is represented by the growing role of nonprofit organizations, especially nonprofit service agencies. This so-called Third Sector includes everything from Oxfam and the Metropolitan Museum of Art to the Ford Foundation and the Mayo Clinic. In other words, although most secondary associations are non-profits, most nonprofit agencies are not secondary associations. To identify trends in the size of the nonprofit sector with trends in social connectedness would be another basic conceptual mistake.

A third potential counter-trend is much more relevant

Neighborliness and Social Trust

to assessing social capital and civic engagement. Some able researchers, most notably Robert Wuthnow, have argued that the last few decades have witnessed a rapid expansion in support groups of various sorts. Wuthnow's fascinating study reports that fully 40 percent of all Americans claim to be currently involved in small groups that meet regularly and provide support or caring for its members. Many such groups are religiously affiliated, but many others are not. Nearly 5% of Wuthnow's national sample claim to participate regularly in a self-help group, such as Alcoholics Anonymous, and nearly as many say they belong to book discussion groups and hobby clubs. While Wuthnow's statistical evidence is drawn from a single survey and thus cannot itself prove trends, he argues that such small groups have become a much more common feature of American communities in recent years.

Whether or not they are proliferating, these small groups described by Wuthnow unquestionably are an important form of social capital and must be weighed in any serious reckoning of trends in social connectedness. On the other hand, they do not typically play the same role as traditional civic associations.

All three potential counter-trends tertiary organizations, nonprofit organizations and support groups — must be weighed against the erosion of conventional civic organizations. One way of doing so is to consult the General Social Survey, which has gathered longitudinally comparable data over the last two decades from extensive probes about various types of associational membership.

Because educational levels are closely correlated with civic association, and because educational levels in America rose sharply over the last several decades, it is instructive to array the changes in membership for three broad educational categories — less than high school, high school and more than high school. Within all educational categories, total associational membership fell between 1967 and 1993. Among the college-educated, the average number of group memberships fell from 2.8 to 2.0 (a 26% decline); among high school graduates, the number fell from 1.8 to 1.2 (32%); and among those with less than twelve years of education, it fell from 1.4 to 1.1 (25%). In other words, at all educational (and hence social) levels of society, and counting all sorts of group memberships, the average number of associational memberships has fallen over the last quarter century by roughly a quarter. Without controls for educational levels, the decline in memberships is not so clear in the raw data. To assess changes in associational engagement we need to consider broader demographic trends in

American society. For example, PTA membership necessarily depends on the size of the school-age population and our analysis has corrected for changes in school enrollment. Similarly, the movement of women into professions obviously increases the number of potential female members of professional organizations. Also, organizational membership peaks in late middle age, so we must take into account demographic changes that move a large part of the population into or out of their prime "joining" years. To adjust for these problems in any net assessment of trends in associational engagement, we must control for such factors as education, age, gender, parental status, and occupational status. The result of this analysis: *more Americans than ever before are in social circumstances that encourage associational involvement (higher education, middle age, and so on), but associational membership is stagnant or declining.*

Broken down by types of group, the downward trend is most marked for church-related groups, labor unions, fraternal and veterans' organizations and PTAs. This shrinkage is consistent with the directly reported membership rates for these sorts of organizations, as we saw earlier. Conversely, the size of professional associations rose over these years, although less than might have been predicted, given the sharply rising educational and occupational levels over this quarter century. Essentially the same trends are seen for both men and women in the sample. Although we have not yet completed our study of all subgroups in the population, detailed multivariate analyses, controlling for age, marital status, number of children, education, socioeconomic status, and labor-force participation, show a significant decline in associational membership over the last 25 years. In short, the available survey evidence confirms our earlier conclusion: American social capital in the form of civic associations has significantly eroded over the last generation.

We saw earlier that most readily available quantitative evidence on trends in social connectedness involves formal settings, such as the voting booth, the union hall or the PTA. One glaring exception is so widely discussed as to require little comment here: the most fundamental form of social capital is the family, and the massive evidence of the loosening of bonds within the family (both extended and nuclear) is well-known. This trend is consistent with, and may help explain, social decapitalization.

A second aspect of informal social capital on which we happen to have reasonably reliable time-series data involves neighborliness. In each General Social Survey since 1974 respondents have been asked, How

often do you spend a social evening with a neighbor? The proportion of Americans who socialize with their neighbors more than once a year has slowly, but steadily declined over the last two decades, from 72% in 1974 to 60% in 1994. This pattern is found among both men and women and at all levels of education. It corresponds to the personal experience of almost any American who can recall the world of the 1950s and 1960s. In the harried and sometimes menacing world in which we now live, few of us spend the time playing bridge with neighbors or chatting over the back fence that our parents did.

We are also less trusting. Since trust is so central to the theory of social capital, it would be desirable to have strong behavioral indicators of trends in social trust or misanthropy. I have discovered no such behavioral measures, but one simple questionnaire-based measure of social trust has been used in the United States and elsewhere repeatedly for 30 years and more:

Some say that most people can be trusted, while others say that you can't be too careful in dealing with people. Which do you believe?
A. strong and steady trend shows the proportion of Americans saying that most people can be trusted fell by more than a third between 1960, when 58% opted for trust, and 1994, when only 35% did. This trend appears in all educational groups. Because social trust is correlated with education and because educational levels have risen sharply, the decrease in social trust is even more dramatic if we control for education.

Trends in social connectedness and civic engagement are themselves coherently correlated across individuals. Members of associations are much more likely than non-members to participate in politics, to spend time with neighbors, to express social trust, and so on. Conversely, recent research on declining electoral turnout, for example, has argued that a decline in social connectedness is an important part of the explanation. Since all these indicators of social capital are themselves highly correlated with education (and other measures of socioeconomic status), it is worth noting that the intercorrelations among the social capital measures persist even when we control for education. Both education and associational membership are strongly

and independently correlated with social trust, not only across time and across individuals, but also across countries. Drawing on data from the 1991 World Values Survey, we can demonstrate this fact and at the same time get a rough comparative benchmark for assessing the trends in American social capital outlined in this essay, emphasizing three facts:

1. Across these 35 countries, social trust and civic engagement are strongly correlated; the greater the density of associational membership in a society, the more trusting its citizens. Trust and engagement are two facets of the same underlying factor — social capital.

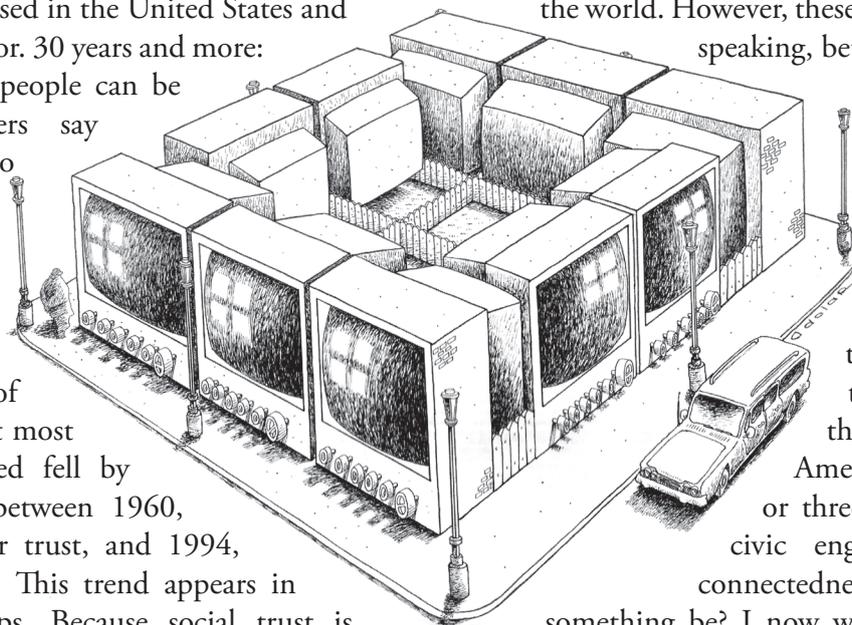
2. By cross-national standards, just as Tocqueville argued, America still ranks relatively high on both these dimensions of social capital. Even in the 1990s, after several decades' erosion, Americans are more trusting and more civically engaged than most other people in the world. However, these recent trends (roughly speaking, between 1965 and 1990)

have moved the United States significantly lower in the international rankings of social capital.

Thus far I have, I hope, shown that there is good reason to suspect that something has happened in America in the last two or three decades to diminish civic engagement and social connectedness. What could that

something be? I now want simply to lay out several possible explanations, along with some initial evidence on each, pro and con.

Over these same two or three decades many millions of American women have moved out of the home into paid employment. This is the main but not the only reason why the weekly working hours of the average American have increased during these years. It seems plausible that this social revolution should have reduced the time and energy available for building social capital. For certain organizations, such as the PTA, the League of Women Voters, the Federation of Women's Clubs and the Red Cross, this is almost certainly an important part of the story. Recall, too, that the sharpest decline in women's civic participation seems to have come in the 1970s and now amounts to roughly 50% in the typical organization. By contrast, most of the decline in men's organizations came about ten years later and now



amounts to roughly 25% in the typical organization. On the other hand, the survey data imply that the aggregate declines for men are virtually as great as those for women. It is possible, of course, that the male declines represent the knock-on effect of women's liberation, as dish-washing crowded out the lodge, but time budget studies suggest that most husbands of working wives assume only a minor part of the housework. In short, something besides the women's revolution seems to lie behind the erosion of social capital.

Many studies of organizational involvement show that residential stability and home ownership are clearly associated with greater civic engagement. Mobility, like frequent repotting of plants, tends to disrupt root systems. It takes time for an uprooted individual to put down new roots. The automobile, suburbanization and the movement to the Sun Belt may have reduced the social rootedness of the average American. It is tempting to explain weakening social networks in terms of greater mobility, but the best recent evidence shows that residential stability and home ownership have *risen* modestly since 1965.

They are surely higher now than during the 1950s, when civic engagement and social connectedness by our measures was much higher.

A range of additional changes have transformed the American family since the 1960s — fewer marriages, more divorces, fewer children, lower real wages and so on. Each of these changes might account for some of the slackening of civic engagement, since married, middle-

class parents are generally more socially involved than other people. Moreover, the changes in scale that have swept over the American economy in these years as in the replacement of the corner grocery by the supermarket and now perhaps of the supermarket by electronic shopping-at-home, or the replacement of community-based enterprises by outposts of distant multinational firms may have weakened the material and even physical basis for civic engagement.

There is reason to believe that deep-seated technological trends are radically privatizing or individualizing our use of leisure time and thus disrupting many opportunities for social capital formation. The most obvious and most powerful instrument of this revolution is television. Time-budget studies in the 1960s showed that the growth in time devoted to television dwarfed all other changes in the way Americans spent their days and nights. Television has made our communities (or what we experience as our communities) wider and shallower. Rather than playing football on weekends, we watch other people play it half a continent away. Rather than confide in close friends, we watch Oprah discuss astonishingly intimate matters with total strangers on TV.

These effects of the technology of leisure are not limited to television. Although Americans now spend more time than ever before listening to classical music and to jazz, many symphony halls and jazz clubs seem increasingly deserted.

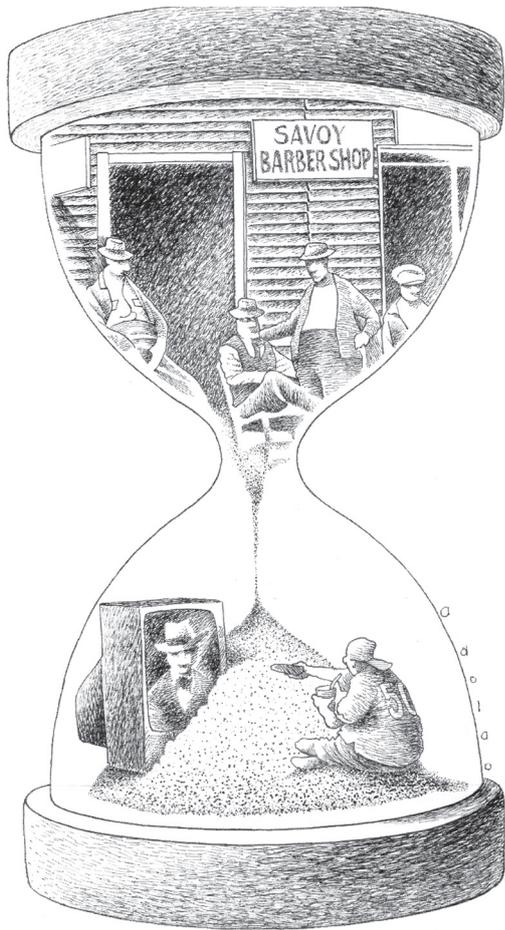
3. Technology Drives a Wedge

The cassette tape, the compact disk and the Walkman have enabled us to be entertained musically in private, which previous cultures would have found inconceivable. The logic of this trend is clear. If I (a devotee of romantic symphonies) attend the Boston Symphony Orchestra, I must fidget through long passages of Schoenberg before the orchestra gets to Brahms. My CD player allows me to concentrate on precisely the kind of entertainment that I want to hear at the moment. The CD also satisfied my friend who cherishes twelve-tone harmonics and finds Brahms saccharine. The result, however, is that we rarely see each other at the concert hall nowadays.

In the language of economics, electronic technology enables individual tastes to be satisfied more fully, but at

the cost of the positive social externalities associated with more primitive forms of entertainment. The same thing happened when the movies replaced vaudeville and the VCR replaced movies. The new virtual reality helmets, which we will soon don to be entertained in isolation are the apotheosis of this trend. Technology is thus driving a wedge between our individual interests and our collective interests — or, at least, that is a hypothesis worth exploring more systematically.

The problem posed in this essay is the erosion of face-to-face relationships — in families, schools and communities — that assume primary responsibilities and breed the social capital needed to operate complex societies. To act upon this problem, we first must sort



out the dimensions of social capital, which clearly is not a one-dimensional concept, despite language (even in this essay) which implies the contrary.

What types of organizations and networks most effectively embody or generate social capital, in the sense of mutual reciprocity, the resolution of dilemmas of collective action, and the broadening of social identities? This essay stresses the density of associational life. In *Making Democracy Work* (1992), I focused on the structure of networks, arguing that horizontal ties, those of sharing and cooperation among equals, represent more productive social capital than authoritarian vertical ties, like those between employers and employees or between landlords and peasants. The fact that vertical networks are less helpful than horizontal networks in solving dilemmas of collective action may be one reason why capitalism turned out to be more efficient than feudalism in the 18th Century, and why democracy has proven to be more effective than autocracy in the 20th Century.

Another potentially important dimension reflects the distribution of the networks: Perhaps more diverse and encompassing networks embody social capital that is more productive. That notion, or something close to it, inspired the integration and civil rights movement of the 1960s, although it later became highly controversial,

as in the dispute about neighborhood schools. Finally, we need to explore more carefully the mechanisms that link social capital and institutional outcomes.

Another set of important issues involve macro-sociological cross-currents that might intersect with the trends described in this essay. What will be the impact of electronic networks on social capital, for example? My hunch is that meeting in an electronic forum is not the equivalent of meeting in a bowling alley — or even in a saloon, come to that — but empirical research is needed. What about the development of social capital in the workplace? Is it growing in counterpoint to the decline of civic engagement, reflecting some social analogue of the first law of thermodynamics — social capital is neither created nor destroyed, merely redistributed? Or do the trends described in this essay represent simply a deadweight loss?

A rounded assessment of changes in American social capital over the last quarter century needs to count the costs as well as the benefits of community engagement. We must not romanticize small-town, middle-class, civic life in the America of the 1950s. In addition to the deleterious trends emphasized in this essay, recent decades have witnessed a substantial decline in intolerance and probably also in overt discrimination, and those beneficent trends may be related in complex ways to the erosion of traditional social capital. Moreover, a balanced accounting of the social capital books would need to reconcile the insights of this approach with the undoubted insights offered by Mancur Olson, in *The Rise and Decline of Nations*, stressing that closely-knit social, economic, and political organizations are prone to inefficient cartelization and to what political economists term rent-seeking and what ordinary men and women call corruption.

Finally, and perhaps most urgently, we need to explore creatively how public policy impinges on (or might impinge on) social capital formation. In some renowned instances public policy has destroyed highly effective social networks and norms. American slum clearance policy of the 1950s and 1960s, for example, renovated physical capital, but at a very high cost to existing social capital. The consolidation of country post offices and small school districts has promised administrative and financial efficiencies, but full-cost accounting for the effects of these policies on social capital might produce a more negative verdict. On the other hand, such past initiatives as the agricultural county agent system, community colleges, and tax deductions illustrate that government has the power to encourage social capital formation. Even a recent proposal in San Luis Obispo,

California, to require that all new houses have front porches illustrates the power of zoning regulations to influence where and how networks are formed.

The concept of “civil society” has played a central role in the recent global debate about the preconditions for democracy and democratization. In the newer democracies, like Brazil, this phrase has properly focused attention on the need to foster a vibrant civic life in soils traditionally inhospitable to self-government. In the established democracies, ironically, growing numbers of citizens are questioning the effectiveness of their public institutions at the very moment when liberal democracy has swept the battlefield, both ideologically and geopolitical.

In the United States, at least, there is reason to suspect that this democratic disarray may be linked to a broad and continuing erosion of civic engagement that began a quarter-century ago. High on our agenda should be the question of whether a comparable erosion of social capital may be under way in other advanced democracies, perhaps in different institutional and behavioral guises. High on the political agenda in the United States should be the question of how to reverse these adverse trends in social connectedness, thus restoring civic engagement and civic trust.

4. What is social capital?

Social capital refers to features of social organization, such as trust, norms and networks, that can improve the efficiency of society by facilitating coordinated actions. Voluntary cooperation is easier in a community that has inherited a substantial stock of social capital, in the form of norms of reciprocity and civic engagement.

Networks of civic engagement are an essential form of social capital. The denser such networks are in a community, the more likely that its citizens will be able to cooperate for mutual benefit. Networks of civic engagement — like neighborhood associations, choral societies, rotating credit circles, cooperatives, sports clubs and mass-based parties — represent intense horizontal interaction.

The trust that is required to sustain cooperation is not blind. Trust entails a prediction about the behavior of an independent actor. Norms of generalized reciprocity and networks of civic engagement encourage social

trust and cooperation because they reduce incentives to defect, reduce uncertainty and provide models for future cooperation.

Trust itself is an emergent property of the social system, as much as a personal attribute. Individuals are able to be trusting (and not merely gullible) because of the social norms and networks within which their actions are embedded. Stocks of social capital, such as

trust, norms and networks, tend to be self-reinforcing and cumulative. Virtuous circles result in social equilibria with high levels of cooperation, trust, reciprocity, civic engagement and collective well-being. Conversely, the absence of these traits in the *uncivic* community is also self-reinforcing. Defection, distrust, shirking, exploitation, isolation, disorder and stagnation intensify one another in a suffocating miasma of vicious circles. Like all public goods, social capital tends to be undervalued and undersupplied by private agents.

5. Social Capital and Inflation in Brazil

Norman Gall

Robert Putnam's essay on "Social Capital and Democracy" poses the problem of erosion of face-to-face relationships in families, schools and communities that assume primary responsibilities and breed the social capital needed to operate complex societies.

A complex society is a community of people carrying out specialized activities, coordinated by varying kinds of interaction between market forces and a formal state apparatus. The advance of knowledge, especially over the past two centuries, has strengthened the efficiency and cohesiveness of complex societies. The beauty and success of complexity lies in the development of spontaneity and control within a dynamic and perishable community that, like individuals, is historically and biologically unique.

Putnam's pioneering work on social capital probes the connection between larger and smaller units of complex societies and warns that the weakening of community institutions undermines the strength of democracy. He describes the shrinkage of social capital in the United States, a world leader in measures of civic engagement and social trust as well as in per capita income.

In Brazil, lack of civic engagement has weakened political development. Putnam's work feeds into the issue raised by President Fernando Henrique Cardoso who, proposing constitutional reforms in February 1995, argued that with the establishment of democracy, "along with institutional reconstruction, Brazil experienced a change in its society. Today the clamor is not for liberty but for justice under law, which is different in the climate of freedom. Liberty exists, but what is notable is the clamor for rights and for the capacity of civil society to organize itself." The weakness in the capacity of Brazil's civil society to organize itself have been seen in decades of chronic inflation and escalating violence.

What are the cultural requirements for a complex society to organize itself under capitalism and democracy? In the tradition of Adam Smith, the Nobel prize economist-philosopher F.H. Hayek wrote: "Almost all of us serve people whom we do not know, and even of whose existence we are ignorant; and we in turn constantly live on the services of other people of whom we know nothing. All this is possible because we stand in a great framework of institutions and

traditions — economic, legal and moral — into which we fit ourselves by obeying certain rules of conduct that we never made, and which we have never understood in the sense in which we understand how things we manufacture function."

The phenomenon of human cooperation remains a mystery. Neither philosophers, economists nor scientists have been able to give us clear explanations. How important, then, are face-to-face community relationships? We are quick to identify television and the needs and wishes of women to work as forces destroying our communities and culture. We often fail to recognize the power of information and communication mobilized by these innovations. Working women and television are now critical sources of information to both households and firms. Watching the nightly news has become a national ritual in the United States, Brazil and many other countries. Television creates instant national and worldwide communities not only for World Cup soccer games and for the police chase of O.J. Simpson along the Los Angeles thruways and the death of the Brazilian racing car champion Ayrton Senna, but also for political events like the 1963 Kennedy assassination, the illness and death of Brazil's President-elect Tancredo Neves in 1985 and the 1993 battle over Moscow's parliament building.

Are these more vital bonds than the face-to-face community relationships that, according to Putnam, are being discarded? We do not know. However, we do know that citizens, for all their educational deficiencies, are getting better information these days for which to make public decisions. While we may disagree with specific policies on crime, health and taxation, communication between democratic governments and their citizens have improved hugely in recent decades. While in some areas government action led to overloaded communication with special interest pressure groups, two welcome trends have appeared in recent decades as a result of stronger civic engagement, both nationally and internationally. One is that the big powers are cooperating more and avoiding major wars. A second is that the quality of public finance has improved greatly under citizen pressure in both rich and poor countries over the past two decades. One of the fruits of this improvement is

the eclipse of chronic inflation in Latin America since 1985. Elected governments overcame the nightmare of hyperinflation as respect grew for democratic leaders.

This stability is being tested by the current Mexican crisis and its ramifications in Brazil, Argentina and other countries. We are learning once more that stability is not a natural condition of human society. Cooperation is a dynamic process of continuous adaptation, involving a certain cost. We now must either accept this cost or deal with the greater hardships of deepening disorder.

In Brazil as elsewhere, stability of prices has become critical to political stability. On the roller coaster of public opinion polls, inflation provides the strongest indicator of how people feel about the quality of social capital and political management. The fortunes of leaders ride on the inflation issue, as we have seen by the success of Fernando Henrique Cardoso as he rode the Real Plan in his landslide victory in the 1994 Presidential election. Both he and the Brazilian people know that no justice, stability or social capital will be created without an end to the nightmare of inflation.