The Dark Side of Social Capital

Patrick T. Brown

A merica’s got a fever, and the only prescription seems to be more social capital. Ever since Robert Putnam’s seminal Bowling Alone was published in 2000, “social capital” — understood as the capacity for interconnection achieved through participation in churches, civic groups, associations, and organizations — has been identified as the missing ingredient in addressing many key national challenges. Political polarization, weakened family structures, lagging economic development, fraying societal cohesion, and many other contemporary troubles have been said to result from a lack of such capital. Typifying this view, the Brookings Institution’s Stuart Butler wrote in this journal that rebuilding communities requires financial, human, and social capital, and “of these three forms of capital, social capital is surely the most important.”

Without question, a renewed spirit of civic engagement, neighborliness, and social trust would be a welcome contribution toward re-knitting the frayed fabric of American society. But the forces that bind communities together also have a dark side. Formal efforts to rejuvenate social capital, salutary though they might be, are double-edged swords, and those who would brandish them need to be aware of the multiple ways they can cut. And for those who care about increasing opportunity, a reliance on social capital is especially troublesome, because social capital within a group is often built by excluding those outside that group. Part of the value of being a member of almost any group involves laying claim to resources to which non-members do not have access.

Social networks have always involved some kind of trade-off between inclusion and exclusivity. But as the decline in associational life has been
very uneven across classes, and as political tensions have come to define group identities and lifestyles, the benefits of social capital for some often look like disadvantages of exclusion for others.

These gradual changes in American life have led us to reconceive of neighborhoods and associations as largely self-selected groups, often defined against some group of outsiders, rather than organic communities in which we find ourselves members. In certain cases, these aggressive forms of social capital have been codified through neighborhood associations, gated communities, exclusionary zoning, and other socio-political choices. Any discussions of opportunity, cohesion, and “social capital” should be informed by an understanding of this downside of contemporary social life, and by the origins and limits of the analogy at the heart of this commonly used term.

**WHAT IS SOCIAL CAPITAL?**

One of the first formal uses of social capital as an academic concept was laid out by the French Marxist sociologist Pierre Bourdieu in 1986. For him, social capital was the “aggregate of the actual or potential resources which are linked to…mutual acquaintance and recognition — or in other words, to membership in a group— which provides each of its members with the backing of the collectively-owned capital.” This account was offered in terms of class, with social capital serving as an exclusionary dividing line. As any good Marxist would, Bourdieu took social capital to be rooted in and directed toward economic gain. The benefits of membership, he claimed, “are the basis of the solidarity which makes [social capital] possible.” An aggressive diagnosis, to be sure, but it can be boiled down to the oft-elided fact that organizations whose members perceive that the costs of membership outweigh the benefits tend not to survive very long.

James Coleman, a sociologist perhaps best known as the lead author of a report that shaped decades of thinking about American education policy, developed a theory of “social capital” that prioritized the capacity of social bonds to change people’s behavior. He considered the high levels of implicit trust and the threat of severe exclusion experienced by Jewish diamond merchants and looked at the achievements of Catholic schools. In both these cases and others like them, he theorized that success was due to “closure,” or the insularity of social networks and their ability to set expectations and obligations. Coleman, like Bourdieu, saw
social capital as a group norm creating economic value for its members. Other authors, like Francis Fukuyama, talked about social trust as “the existence of a certain set of informal values or norms shared among members of a group that permit cooperation.”

In this sense, these early adopters of the term saw the potential dangers inherent in the idea of social capital or communal cohesion. An appreciation of that dark side has deep roots in America’s self-understanding, as factional mischief was a major concern of our founders. “So strong is this propensity of mankind to fall into mutual animosities,” James Madison wrote in Federalist No. 10, that “the most frivolous and fanciful distinctions have been sufficient to kindle their unfriendly passions.” Alexis de Tocqueville famously warned of the lure of individualism “dispos[ing] each citizen to isolate himself from the mass of his fellows and to withdraw to the side with his family and his friends; so that after thus creating a small society for his own use, he willingly abandons the large society to itself.”

But although this sharp edge of self-interest was a key facet of the original definition of “social capital,” it would be sanded down when Robert Putnam entered the scene. *Bowling Alone*, which drew widespread media attention and garnered the author an invitation to the White House, raised alarms about shortages of social capital but downplayed its potential risks. Putnam’s definition of “social capital” focused on trust, norms, and networks that benefitted not just the individual, but also society writ large. He unabashedly asserted that social capital is good for all and needed to be rebuilt to restore American community life.

To measure social capital, Putnam looked at associational behaviors like voting participation, church attendance, recreational activities, and membership in civic groups, including, most famously, bowling leagues. Writing in the late 1990s, he worried that America’s mainline institutions and civic organizations were spending down the “capital” built up by previous generations. Almost across the board, participation in associational and civic behaviors—even non-organized activities like having friends over, talking on the phone, or having conversations with confidants—had trended sharply downward starting in the 1960s, as if “the post-war generations were exposed to some anticivic X-ray that permanently and increasingly rendered them less likely to connect with the community.”

Putnam’s definition and measurement of social capital has proven enduring, but its popularity has come at the cost of some clarity in terms of
the tradeoffs inherent in the concept. By reframing social capital as a societal goal in and of itself, rather than a characteristic of social interactions, Putnam seemed to blur the concept a bit. Is social capital the cause of social cohesion and civic trust or its effect? His answer seemed to be both. Are the salutary effects he traced to social capital—lower poverty rates, higher educational attainment, and greater economic growth, for example—the products of high levels of social trust, or are they co-determined variables driven by other cultural forces? This was never clear.

Princeton’s Alejandro Portes and Erik Vickstrom, critics of Putnam’s, pointed out that upon controlling for a state’s percentage of population of Scandinavian descent and membership in the Confederacy, much of social capital’s purported predictive power could be explained away. What Putnam’s “social capital indicators” measured could simply be path-dependent cultural legacies—and no amount of what the British academic Marilyn Taylor critiques as “prescribing community to the poor” would be able to alter these fundamentals of social interaction and association.

In its original definition, “social capital” was a value-neutral characterization of how social networks facilitate the transformation of personal relationships into economic or cultural capital. As popularized by Putnam, social capital was transformed into a measure of participation, civic engagement, social trust, and inclusion—all desirable traits that lent it an air of moral approbation. The universal appeal of a robust community life propels Putnam’s theory, even if his expansion of the concept of social capital into a public good ignores the problems its single-minded pursuit can introduce.

**Exclusion and Cohesion**

The dark side of social capital has never been entirely ignored by its disciples, of course, but it has been underplayed. And when it has been considered, the focus has tended to be on its potential to hinder members of the group itself, rather than outsiders seeking to join. Insularity can put pressure on group outliers to conform to social norms, and it allows fringe groups to sustain a narrative of opposition to mainstream society. The textbook example is street gangs, whose members rate relatively high by some measures of social capital. These recognizable downsides have even caused some to celebrate the decline in social capital (as Putnam measures it) as heralding a shift from associational
living to activities that prioritize greater autonomy and self-expression. But those discussions leave aside the impact of heightened social capital on those who, in a polarized and fractured America, are not part of a given community but wish to join.

William Julius Wilson’s landmark analysis of “the truly disadvantaged” found the flight to suburbia left inner-city communities worse off than would be predicted by just the economic divestment alone. He suggested that when middle-class black families left neighborhoods, they took their social connections with them, creating “ghetto neighborhoods…populated almost exclusively by the most disadvantaged segments of the black urban community.” In contemporary American life, such patterns are evident well beyond inner-city ghettos, and are increasingly determined by socioeconomic class and culture. Racial segregation has been slowly in decline, while class has played an increasingly significant role in determining economic and social opportunities.

Cultural markers such as consumption patterns, political views, and social stances are becoming more common as in-group signifiers, even in formerly non-political organizations or arenas. The ability to self-sort along ideological and cultural lines means “communities” are no longer organized around geography, but along values; group members are not neighbors, but co-adherents. This tendency predates the internet, but it is found there in microcosm: Self-selected virtual communities have replaced organic neighborhoods, and echo chambers have replaced the public square. Social-capital-fueled exclusion may be troublesome when deployed by a racial minority group in a particular industry, but it becomes poisonous when deployed by a Madisonian “faction” with the ability to use the power of law or social norms to preserve its own cohesion, benefits, and privilege.

The declining economic necessity and social durability of community institutions has driven the rise of political identities as sources of definition for both individual and group identity. This cycle is self-perpetuating: As local institutions lose their relevance, national groups increasingly become rigid, large-scale providers of identity, fueling a nationalization and “lifestylization” of political debates that contributes to the decline in the relevance of local communities.

The prescient sociologist Robert Nisbet argued in the 1950s that the modern welfare state’s expansion into everyday life sapped the vitality of traditional religious, ethnic, fraternal, and familial organizations. When
these family, neighborhood, and religious institutions were no longer economically essential or seen as pre-ordained, the desire for belonging and fraternity they had previously met went unfulfilled. When our needs for material well-being are met by the market and the state, Nisbet argued, our emotional need for community does not disappear, but instead becomes subsumed by those institutions. “[B]ehind the whole quest for community which infuses so many theoretical and practical areas of contemporary life and thought, lies the growing realization that the traditional primary relationships of men have become functionally irrelevant to our State and economy and meaningless to the moral aspirations of individuals.” The crowding out of private associations and identities by the creep of politics is fueled by their increasing irrelevance in a modern capitalist economy in which many of our basic needs are met by the market instead of voluntary society. The result is that our primary “tribe” is increasingly our cultural-political one.

The desire to belong—translated into a political environment that has subsumed the attachment once associated with neighborhoods, fraternal organizations, and the like—primes the pump for “social capital,” in the way Putnam conceives of it, to become a force for exclusion. As we self-select communities, those bonds (and in some respects familial relationships as well) become less meaningful, more transient, less binding, and more self-serving. The insulation that, both for good and bad, used to mark communities you couldn’t choose, like a tight-knit ethnic group, is now a hallmark of self-selected political coalitions, which can create stage-managed communities that preserve home values, political shibboleths, polite discourse, and social homogeneity. The laudatory appeals to “social capital” as the salve that heals all wounds gloss over the fact that the very act of social exclusion—defining a community in opposition to an out-group—can drive an increase in measured “social capital.” Putnam himself has admitted that “social capital is often most easily created in opposition to something or someone else,” as any high-school coach getting ready for a big game could tell you.

Another critique of social-capital prescriptions comes from the left. Harvard’s Theda Skocpol responded to Putnam by pointing to the market, not the state, as the primary actor driving social fracturing: “Members of a burgeoning upper-middle stratum of highly educated and munificently paid managers and professionals may have pulled out of locally rooted civic associations… How ironic it would be if…[they]
were now to turn around and successfully argue that the less privileged Americans they left behind are the ones who must repair the nation’s social connectedness.” Contemporary America has seen no small amount of “brain drain” from less economically dynamic regions to muscular metropolitan hubs. But economic mobility has been a fact of American life since its founding, and a constant can’t explain a variable. Something else has changed about our relationships with one another to enable this decline in neighborly behaviors, membership in civic groups, and associational life.

**Blocking Capital**

A more nuanced view of social capital, and how it may be measuring deep-seated community characteristics that are beyond our ability to directly alter, should make us skeptical about the power of social-capital initiatives to achieve goals like increasing inclusiveness and creating wider weak-tie networks. They may also be counterproductive; activities that build in-group solidarity are the easiest to prescribe and execute, but also carry with them the highest risk of being translated into an increase in so-called blocking capital—the use of community cohesion to reinforce the exclusion of outsiders. Drawing on Nisbet’s insights, we might say that the hollowing out of intermediary associations means that efforts to build up group identities will likely result in confirming in-group preferences and making it harder for others to access those communities.

As Stephanie Stern of Chicago-Kent College of Law has written, “In-groups are an inevitable facet of social life,” but the political choices that erect barriers to community have resulted in “strengthening in-groups, empowering them with decision-making authority over interests beyond the group, and failing to supply laws or norms to constrain their actions.” “Indeed,” she continues, “bonding social capital, with its elements of group cohesion and insularity, reciprocity, and collective engagement, is perhaps uniquely well-suited to producing exclusion.” One cannot help but be reminded of New York governor Andrew Cuomo, who declared in 2014 that those with pro-life or pro-gun sympathies “have no place in the State of New York,” or Kshama Sawant, the Seattle City Council member who received applause from the chamber for declaring she was proud to not have any Republican friends.

Attempts to devolve power risk running into the same set of problems. Top-down efforts to increase community life will give well-off communities further means to use policy levers to exclude those on
the outside looking in, and less-advantaged communities will remain unable to offer anything compelling to would-be participants. Because being part of a community is inevitably and indelibly tied to housing, the most vivid examples of social exclusion through public policy take place in the housing marketplace. Many of the policy barriers that prevent the poor and disenfranchised from accessing high-opportunity areas are erected due to disordered forms of social capital.

Common political (or policy-adjacent) methods of deploying blocking capital include exclusionary zoning (through minimum lot sizes, restrictions on multi-family dwellings, and growth controls), gated communities, strong homeowners’ associations, not-in-my-backyard anti-development organizations, and battles over the placement of homeless shelters and houses of worship. While the Supreme Court struck down zoning based on race in 1917 with Buchanan v. Worley, the 1926 Euclid v. Ambler decision upheld zoning, specifically citing “residential character” as a justification for excluding “parasitic” apartments from single-family-home neighborhoods. Even today, master-plan or zoning documents frequently cite “community character” when preserving rigid zoning restrictions. These impulses draw on well-intentioned feelings of community pride and civic engagement to exclude outsiders from sharing in those benefits and opportunities.

Dartmouth economist William Fischel has found that small suburbs are more likely to have strict zoning and exclusionary restrictions than larger ones, likely because of the kind of social capital Putnam would laud. The rewards to community involvement, or the drawbacks of abstention, are more tangible when the sphere of community life is smaller. As Stern points out, “Maintaining exclusionary zoning requires residents to organize, share information, and protest.” That close-knit circle of interaction is tailor-made to enable the kind of exclusion-based social cohesion that can result in formal opposition to the “wrong kind of people,” such as in battles over affordable housing or homeless-shelter placement.

Erecting physical barriers is not the only way communities can prevent access to entry or opportunity. Just as members of a cartel could collude to hinder innovation and entrench old methods of production, so too can social capital reproduce stagnation or inefficiency. Political processes can be dominated by an “old guard” of community leaders, who rely on cozy relationships with City Hall to discount newcomers.
These concerns are nothing new, of course, but they have become more salient in an era in which social capital is increasingly a resource of the advantaged and an active hindrance to those who are outside looking in. The profound social fragmentation and bifurcation identified in recent years by Putnam, Charles Murray, and others is evident in terms of associational life and social trust as much as in crude economic terms. The differentiating element of social capital has traditionally been quality; now it is distinguished by quantity as well. Multiple research papers have found individuals from higher socioeconomic classes are more likely to register more social connections, have richer (and wealthier) social networks, volunteer more often, report higher social trust, belong to information-sharing networks in schools or other institutions, and be politically engaged. Contrary to popular belief, well-educated Americans are more likely to attend church (though rates among the college educated are starting to drift downward). When groups rich in social capital develop an identity that stresses exclusion and use policy levers to prevent access by non-members, the accumulation of advantage in networks defined by opposition to classes and neighborhoods other than their own becomes self-perpetuating.

**Policy’s limits**

This should point toward some of the limits of public policy as a means to advance meaningful unity. If a community’s baseline of social connectedness is, to a substantial degree, baked in, no amount of neighborhood mixers is going to solve the problem of social advantage breeding social advantage. The counterintuitive solution might be creating the space for organic solutions, rather than seeking a proactive social-capital agenda. These kinds of efforts, by their very nature, can’t be imposed through a top-down effort, but have to be cultivated by leaving space for community organizations to flourish.

A community is a cherished thing, and protecting it is a natural instinct. In an age of instability, we naturally turn to those like us. In *The Fractured Republic*, Yuval Levin wrote that American civil society has been weakened by a century-long assault from hyper-consolidation, followed by hyper-individualism, leaving it “not well positioned to turn subnational *identities* into interpersonal *communities.*” Promoting social-capital habits that increase solidarity in this era of nationalist tendencies in policymaking and in-group hyper-definition in cultural habits will likely result in ever more balkanization and isolation.
A community’s “character” is only as rich as the resilience it offers when tested. Constructing legal or quasi-legal barriers to prevent newcomers from altering a neighborhood’s character or introducing new beliefs or lifestyles is a form of sheltering community identity, not broadening or enriching it. It is a way of responding to challenges by retrenching. Responding by reaching out requires a greater sense of confidence and openness. As religious practice in America has declined, so has the capacity of churches to go out and recruit converts—one of the main ways American communities have traditionally strengthened themselves by becoming more welcoming. But this cannot be fixed with policy initiatives. A proactive approach with some chance at success would create space for these social norms to be established organically, rather than codifying them through zoning restrictions, speech codes, or segregated communities.

Leaving space for religious and civic institutions means resisting the urge to do something, anything, to solve whatever crisis is trending on social media on any given day, and it runs counter to the tendency toward centralization, consolidation, and economies of scale that mark both today’s marketplace and political environment. One on-the-ground example of how this could work in practice comes from Utah, where the state government has taken a minimalist approach to welfare, leaving space for the Mormon Church to operate its idiosyncratic, richly embedded welfare system. As Megan McArdle wrote in *Bloomberg* in 2017, “The state has not invested a lot in fighting poverty, nor on schools…. But ‘laissez faire’ isn’t the answer either. Utah is a deep red state, but its conservatism is notably compassionate, thanks in part to the Mormon Church.” By working hand-in-hand with the robust welfare structures of the Mormon Church, the state is able to provide a baseline of support while creating the space for voluntary, charitable organizations to do the work of integrating the poor and disadvantaged into the wider society.

Without sufficient space for intermediary institutions, our quest for community—or, in academic lingo, our search for social capital—will continue to become nationalized, politicized, and exclusionary. The growth of what Richard Reeves calls “opportunity hoarding” comes precisely from this natural tendency to use institutional levers to privilege one’s own group.
Tocqueville described the United States as a place where “the most opulent citizens are very careful not to isolate themselves from the people; on the contrary, they constantly draw closer to them, they readily listen to them and speak with them every day.” He also feared that pure democracy without Burke’s intermediary “little platoons” could lead to a regime that “make[s] each man forget his ancestors…hides his descendants from him and separates him from his contemporaries…and threatens finally to enclose him entirely within the solitude of his own heart.” One of those scenarios sounds like present-day America, and it’s not the one we should wish for.

“Social capital” is far from a cure-all, but its persistence as a concept among certain circles points to its utility. One might suspect that the lasting popularity of social-capital talk in academic circles is a back-channel way of acknowledging the importance of religion in people’s lives, without having to commit to an endorsement of anything that could be accused of being “problematic.” But turning religious and social institutions into expressions of lifestyle, rather than sources of meaning, leaves them hollow, brittle, and irrelevant.

Promoting town halls, neighborhood committees, or block parties as ways to re-knit the republic is an understandable impulse. But ignoring the larger history of social capital’s evolution can blind us to its downsides in the public square: namely, how social capital is used to stymie economic opportunity and a broad sense of community. What’s needed is an opening up of pre-political space—to focus on good (rather than just proactive) governance, to empower the less-advantaged in local communities now dominated by the well-connected and well-off, and to allow space for unions, fraternal organizations, and churches to prove themselves necessary.

Ultimately, social capital is an essential but not unalloyed good, one that needs to be pursued, as Nisbet put it, “not with the imaginary, abstract individual but with the personalities of human beings as they are actually given to us in association.” If we seek an antidote to identity politics, to toxic exclusionism, to excessive tribalism, we must make intermediary associations necessary again.