

Structural Analysis of Social Capital:

Institution, Relations, and Order¹

ANALYSE STRUCTURELLE DU CAPITAL SOCIAL:

L'INSTITUTION, LES RELATIONS ET L'ORDRE

LI Zheng-dong²

Abstract: Current studies on social capital are both broad and in-depth in terms of contents and forms as well. The structure among various forms, however, seems to be a sort of in disorder, without establishing a institution with a relatively clear dividing line. This paper believes that social capital doesn't include microscopic forms of trust, norm, and network, etc only. We, through in-depth studies from macro-structure aspect, could discover that social capital in fact exists in three broader fields of social institution, social relations, and social order. Social institution, social relations, and social order are essentially the initial state of social capital. Every specific form of social capital is unexceptionally the result of interrelation and interaction among these three. Every single form of social capital doesn't purely belong to a certain field; it closely relates to other fields instead. And it even is the combination of multiple-form social capital. Both structural and resource natures of social capital thread together instead of being discrete.
Keywords: social capital; social institution; social relations; and social order

Résumé: Les études actuelles sur le capital social sont à la fois larges et profondes en termes de contenu et des formes. La structure des formes diverses, cependant, semble être une sorte de désordre, sans une ligne de démarcation relativement claire. Ce document estime que le capital social n'inclut pas de formes microscopiques de confiance, ni de normes, ni de réseaux. A travers des études en profondeur à partir des aspects macro-structurels, nous avons pu découvrir que le capital social existe en fait dans trois domaines plus larges, c'est-à-dire l'institution sociale, les relations sociales et l'ordre social. L'institution sociale, les relations sociales et l'ordre social sont essentiellement l'état initial du capital social. Chaque forme spécifique de capital social est sans exception le résultat de l'inter-relation et l'interaction entre ces trois. Toute forme unique du capital social n'appartient pas purement à un certain domaine, par contre, elle est étroitement liée à d'autres domaines. Et elle peut même être la

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² Department of Social Work, Humanity College, Shanghai Institute of Technology, Shanghai 202235, China.

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combinaison de multiples formes de capital social. Au lieu d'être isolées, la nature structurelle et les ressources du capital social sont liées.

Mots-clés: capital social, institution sociale, relations sociales, ordre social

THE PROPOSITION OF THE ISSUE

Bourdieu is the earliest scholar introducing the concept of "social capital" into sociology study field. In his theory, the social capital is defined as "the aggregation of current or potential resources inseparable from a certain type of long-term possession of network that is well known, recognized, and as well as institutionalized relation network" (Zhang Ziqi, 2001:54). American social scientist Coleman inherited and developed research achievements. Coleman believed, "Social capital's definition comes from its functionality. Social capitals are not a certain form of separate entity, and they are different entities with certain forms instead. There are two common features for them: they are constituted by various elements comprising of social structure; and they provide convenience for individual action inside the structure" (Coleman, 1999: 354). There is not yet a uniform statement regarding the concept of social capital in academic circles. Alejandro Portes proposed refined and complete statement regarding social capital. In his view, "Social capital is individuals' capability to gain rare resources in network or a broader social structure with their member identities. This capability is not inherent, and it is a type of asset included in the relation between an individual and others. And social capital is the result of embeddedness" (Portes, 1995:12-13). This paper believes that social capital is the social resources that are formed by social relation body¹ through social contacts can both introduce behaving individuals with current or potential interests and improve public interests. That is, social capital's influence is reflected in two aspects: one is to bring current or potential interests for behaving individuals in social relation body; the other is to, in certain scope, improve overall public interests. From functionality point of view, social capital is therefore a pair of contradiction between individual choices and social choices, which determines social capital has both positive and negative effects. Its reasonable operation, however, can then reach coordination and co-achievements of the interests for these two. Regardless of various forms, social capital still has explicit hierarchy in terms of structure.

Current studies on social capital in academic circles are both broad and in-depth in terms of contents and forms as well. The structure among various forms, however, seems to be a sort of in disorder, without establishing a institution with a relatively clear dividing line. This paper believes that social capital doesn't include microscopic forms of trust, norm, and network, etc only. We, through in-depth studies from macro-structure aspect, could discover that social capital in fact exists in three broader fields of social institution, social relations, and social order. Social institution, social relations, and social order are essentially the initial state of social capital. Every specific form of social capital is unexceptionally the result of interrelation and interaction among these three.

1. SOCIAL CAPITAL FORMS IN INSTITUTION ASPECT

Constraints from institution aim at creating free conditions for behavior modes. By the time we feel we can't move a single step without institution, we then will realize that institution intends to "create freedom with constrains" so as to provide social contacts with fundamental resources for action. Institution is essentially the behavior rules to be complied by social members; it defines specific behavior mode and as well mutual relations of social members; and it is the social order foundation for people's interaction. "New Institutional Economics believes that institution is the rules of the game of society, establishes constrains of human interaction, and emerges in resource-rare environment to save transaction fees in order to more effectively use resources" (Zhang Yuyan, 1992:117). Institution can be classified into formal institution and informal institution. The formal institution is a series of written rules formulated by countries or specific organizations and hierarchical relationship structure formed by the written rules. And it owes mandatory force. Laws, regulations, and contracts, etc are all manifestations of formal institution. And inform institution refers to the conventional views and customs and as well corresponding norms¹ established among people's broad social contacts. We will in the following discuss partial forms of social capital in institution field:

Formal Norm and Effective Punishment

It can be realized that Coleman primarily stressed function and magnificence of formal norm as social capital. Formal norm can be in fact divided more detailed and specific in a social capital scope. Law, regulations, and contracts, etc, as manifestations of formal institution, can all be specific forms of social capital of behaviors. By the time restricting violations it as well provides methods to safeguard interests for behaviors, i.e. behaviors can use protections from norm to defend their own interests. The influence of formal norm is reflected in three aspects: the first is to punish violators' behaviors inconsistent with norms; the second is to safeguard behaviors' legal rights; and the third one is to improve overall public interests.

Values, moralities, and ideologies

“Informal institution is the result of historical accumulation and cultural evolution and the precondition to form formal institution; and form institution is explicit and embedded into informal institution” (Wang Yanhui, 2002). All values, moralities, and ideologies belong to the category of informal institution and are the precondition to create formal institution. The values and moralities held by people belonging to social main body as well as the ideologies these people believe in generally do not indicate how much social capital they owe, and they just reflect the social capital content from social overall aspect. Their existence means inner values internally formed judging standard and behavior-orientation standard in a group or overall society. It is just the existence of inner standards that society then has predictability and natural consistency, from which formal institution forms its original prototype as well as public interest improvement reaches consensus. Values reflect its influence as a type of social resource through defining the trend of behaving mode. Behaviors' values are frequently influenced by the group they are in and have strong predictability. Common or similar values are the foundation to establish a certain social group and as well help form consistent behaviors. Moralities and ideologies, as social capital, owe similar functionality with values, and we won't go details of it here.

Ethical norms and customs

Ethical norms and customs are typical informal institution and as well often the latest predecessor of formal institution. Ethical norms can be referred as moral norms while customs can be divided into conventional customs and common practices. Both ethical norms and customs are fairly similar to some functional principles of formal norms such as laws in some dimensions. “Any legal rules are all the approvals or denials of previously existing situations, customs, and common practice” (Wang Yanhui, 2002). Informal institutions such as moral norms, customs, and common practices owe more powerful and broader binding than formal institutions such as laws in some cases. Laws, in people's social contacts and market operation, just safeguard people to behave as customs and common practices and their real function lies in maintaining, supporting, and repairing customs and common practices. Existence of ethical norms, customs, and common practices avoids the malpractice to bring everything to the court, letting problems be settled inside the framework to maintain harmonious social relations and therefore saving transaction costs. They are thereby effective social capital form, ensuring social members to behave based on these informal norms and providing effective format to settle problems, and hence help improve public interests.

2. SOCIAL CAPITAL FORMS IN RELATION ASPECT

Social relation is the interactive structure with mutual influence and interaction established during social contacts among social main body, including social networks between people and people, people and organizations, and organizations and organizations. Social relation primarily refers to interpersonal relations among families, friends, neighbors, and co-workers, contacts between people and organizations they belong to, and the relations between an organization and its outer organizations or the organization it belongs to. There are plenty of specific social relation forms, mainly include mutually beneficial help, information network, multiple functional organizations, and intentionally created social organizations³.

³It needs to reach society-approved behaving norms and behaving standards in peoples' hearts mainly through a series of factors of values, morality, ethics, and customs and ideologies, etc

Mutually Beneficial Help

Mutually beneficial help is beyond the concept of institution and exchanges potential social resources at the costs of giving out economic or social resources. And it eventually gains other economic or social resources via potential social resources. Mutually beneficial help is a special form of social capital. What accompanies the process of this type of contact is bilateral giving and gaining. The existence of mutually beneficial help frequently depends on a certain type of personality network and internal mutual help among families, friends, neighbors, and co-workers is the reliable foundation of mutually beneficial help. There are various forms of mutually beneficial help implementation; they could be mutual help, cooperation, and the support from one party against another. In addition to providing convenient conditions for actions of social main body, mutually beneficial help as well promotes social relation, making social relation structure get more stable and therefore improving the influence of social capital. Social relation stability, of course, also strengthens the internal closure of social structure, thereby obstructing the establishment of new social relation structure and demonstrating a negative effect.

Information Network

From Coleman's opinion, "Information plays an important role in providing foundation for actions; it, however, needs to pay to gain information... it is an important approach to obtain information from exiting social relation" (Coleman, 1999: 363). Information network is the social resource existing in social relations and shareable with members inside relations. Acting individuals gain information from information network to provide convenience for their actions. While obtaining this sort of external information resource, acting individuals save the costs to individually develop or find out this information resource. In terms of overall society, shared information network reduces the costs to collect information and promotes public interest improvement as well. Information network here is essentially a manifestation of social relation, the mutual connections constituted by acting individuals in social contacts to get information, and an important form of social capital. Information normally comes from interpersonal network of family members, friends, neighbors, and co-workers, etc. The information network separated from interpersonal network addresses the demand of social main body to obtain information, which is just its significance as a type of social capital.

Multiple functional organizations and intentionally established organizations

From Coleman's point of view, "the organization established for a certain purpose can serve other purposes, therefore forming social capital that can be used. The forms of this type of social capital, dividing by natures, could be obligations and expectations, information network, norms, and authoritative relations" (Coleman, 1999: 366). He explored two kinds of intentionally established organizations: the first one is business organizations established by capital owners to gain profits and the second one is voluntarily based unions with public goods feature. Multiple functional organizations and intentionally established organizations have certain comprehensive function on social capital and their function implementation is based on internal social relations of organizations. It is thereby realistic to classify multiple functional organizations and intentionally established organizations into the concept of social relation.

3. SOCIAL CAPITAL FORMS IN INSTITUTION ASPECT

The connotation of social order here is different from previous theories⁴. The social order in this paper is referred to social institution and social relation with its specificity. It indicates a uniform, orderly, and stable established state formed in both social institution and relation operation. It is different from social institution. Since social institution is a formal or informal behaving rule and it is an explicit behaving standard or inexplicit action orientation. Institution corresponds to action standards and manifests as the

³ Based on the studies on current China social capital, the social capital referred by many scholars is in some extent social networks. It is reasonable to conclude that under connection-oriented rule in China it is easier to accept and understand social network as the form of social capital.

⁴ If order is a sort of orderly state, then social institution is a type of behaving rules around the orderly state. And social relation is then the interactive pattern around this type of orderly state. In terms of social capital, social order can be understood as a balance between resource supply and demand.

control on action. Social order is also different from social relation that is the interactive structure formed in social contacts and manifests as mutual dependency. We introduce some important social order manifestations as follow:

Trust, Obligations and Expectations

Granovetter's embedded view believes that specific relation can generate trust (Granovetter, 2007: 11). From Coleman's opinion: "If A does something for B and believes that B will repay himself/herself afterwards, A then has an expectation on B. And B undertakes an obligation for A" (Coleman, 1999:359). The two parties thereby form a mutual service relation and the stable pattern of the relation then builds up a sort of social capital. He believes that trusty extent of social environment and the scope of personally undertaken obligation have impacted the existing possibility of the social capital in this form. Trust itself is the important content of social capital. The mutual trust among social main body constitutes a certain order and as well promotes the establishment of new social order; in another word trust meanwhile is the premise to establish stable social order. The stable state of both obligation and expectation, as the existence of an order, reflects a certain mutually beneficial relation among acting individuals. Obligations and expectations are both the result of social relation (particularly mutually beneficial relation) with certain stability and a type of orderly state based on trust. They are closely connected and have a certain hierarchy: from trust to reciprocity and from reciprocity to obligations and expectations. The existence of trust brings acting individuals a kind of stable and reliable feeling that settles the foundation for the generation of action; the action generated from mutual trust tends to establish the relation of mutually beneficial help; and when the mutually beneficial relation brings about social order, there will be obligations and expectations generated among acting individuals.

Authority

"Essentially, authority issue is the relation issue between right and power as well as power and right" (Shao Li and Ji Jinhua 2002). Coleman believes that authority is formed through the process that social main body transfers the right of controlling itself to others. From his point of view, "The implementation of right must use power as the safeguard, i.e. right bearers protect their demands with power and acting individuals rely on power to request to participate right distributions" (Coleman, 1999: 77). It is just because people recognize it needs corresponding social capital to resolve common issues that they, under certain conditions, grant authority to leaders with super-charm. In fact, power is the safeguard to implement right. Authority originates from the transfer and differentiation of right. Parsons then considers authority as institutionalized power and political institution. From his point of view, authority involves three key elements: the power to make binding decision from the highest level, the power to distribute the obligation of sub-units among organizations, and the power to distribute materials.

This then indicates that authority is a type of important social capital. Authority is the result of institution, a stable form of social order from social institution, and legitimized power. Authority is closely connected to norms and tends to be generated with the establishment of norms, and in turn products influence inside the scope affected by norms. The connotation of authority is legal dominating relation and obeying relation based on prestige. In addition to impacting action mode of social main body, authority as well impacts conceptual consciousness and even values of acting individuals. The existence of authority therefore reduces social action resistance and improves the coordination of interactive relation among social main body (Zhang Wenhong, 2003). Authority eliminates the difference among various elements inside system and meanwhile accommodates the existence of reasonable difference. The dominance of authority indicates acting individuals gain interests via resource allocation (Fan Ping, 2004); however it more indicates to improve public interests through coordinating acting modes of social main body.⁵

Reputation and Status

Reputation can create necessary conditions for acting individuals to obtain needed resources. The acting individuals with certain reputation often easier to gain economic or social resources of money, status, and

⁵ Since authority itself is not social capital and it can only become social capital by the time it is applied tool-like usage. For instance, partial individuals or groups gain current or potential resources via occupying and applying "institutionalized connections" or "authority". In brief, social capital owes more nature of public goods.

power, etc, the values in real society of reputation as social capital⁶. Status is closely related to the elements of reputation, authority, and power, etc. Certain status can make acting individuals directly gain some rare resources and endow it with action initiatives. It thereby is a type of fairly effective and important social capital.

The process to establish and maintain certain reputation and status is essentially the one to establish and maintain certain social orders. The status-generated effects make action-takers desperately to follow, and the actions with similarity and consistency formed by reputation pursuing will establish an implicit order in overall society. Status is based on the foundation of being trust and yet can only be established via externally favorite assessments. Action-takers must think of giving up the actions against their reputations at appropriate time. Money, status, power, position, knowledge, and outstanding behaviors, etc all can improve the reputations of the action-takers.

4. BRIEF CONCLUSIONS

The existence and maintenance of social overall system itself needs a type of social resource that is these original social capital patterns. Social capital can be differentiated from three fields of social institution, social relations, and social order and exists as a single form of social capital. It can also form new social capital based on the inter-relations and interaction of various social capitals. Social capital can be classified into three subsystems of social institution, social relations, and social order. The constitution of social capital from social institution includes fundamental elements of formal norms, conceptual consciousness, and customs and common practice, and moral norms, etc; the constitution of social capital from social relation includes fundamental elements of mutually beneficial help, social organizations, and network information, etc; and the constitution of social capital from social order includes fundamental elements of trust, obligation and expectation, authority, and reputation and status, etc.

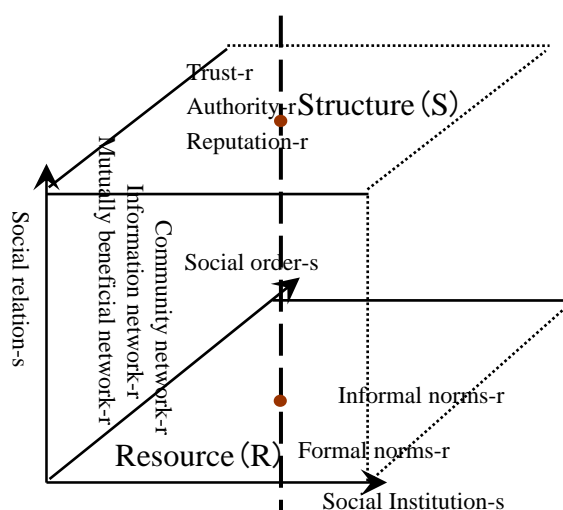


Figure 1: Diagram of Social Capital Structure-Resource Mode

Through above analysis, we then outline the diagram of social capital structure-resource mode. The above analysis in fact answers the debates regarding capital study in current society. That is social capital after all is structure-featured or resource-feature? What can be confirmed is that social capital has both structural levels and resource form. In brief, social capital is social resource embedded into social structure, and this resource owes potential functional significance either positive or negative. Social order establishes certain social relations in social operation, social relations then create certain social institutions in social

⁶ Lin Nan's related research confirms this point. Lin Nan believes that reputation, as social repay, is an indicator of social benefits. Reputation can be defined as good/bad faith assessment on a person in social network. This repay can all be regarded as increased social capital (Lin, 1999: 35).

contacts, and social institutions restrict the structure of social relations and the operation of social order. Every single form of social capital does not purely belong to one field and it has close relation with other fields instead; it could be the combination of social capital in multiple forms. It does not necessarily indicate that theoretical research on social capital is boundary-blurred; instead, it just exactly demonstrates the tightness among various forms and elements of social capital. In conclusion, in addition to resource orientation, social capital study has structure orientation as well. Combining with currently popular functional orientation, the two orientations above precisely constitute three primary paradigms in social capital study.

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