



THE FOUNDATION FOR
DEVELOPMENT COOPERATION

Social Capital in Asia?

Reacting locally to thinking globally

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Contents

Abstract:	3
Introduction	4
A 'Capital' Idea	6
Social Capital and the World Bank	8
Social Capital and Asian Values	12
Call to Action	14
Conclusion	14



Abstract

The recent rise to prominence of the concept of social capital within development theory and practical research has led to the FDC's investigation of the subject. The FDC is an independent, non-profit organization committed to strategic research, policy development and advocacy for sustainable development and poverty reduction in Asia and the Pacific.

While advocates of social capital highlight its potential to invigorate civil society and stimulate economic growth, there remains a lack of consensus amongst theorists, researchers and policymakers as to how best to define the concept, let alone accurately evaluate its impact at the level of the community. Despite widespread disagreement regarding the relevance, and best means for mobilization, of social capital in development programs, it has become a key aspect of recent World Bank social development initiatives. This has immediate implications for those societies involved in current World Bank programs, as well as longer-term implications for other developing nations, as donors seeking World Bank funding also incorporate social capital interpretations and measures into their programs.

This paper discusses the inability of existing conceptualizations of social capital to account for cultural distinctiveness, and the implications this has for research projects and social development programs attempting to identify and foster the growth of social capital in our region. In particular this paper examines the imbrications between the debates on social capital and issues that have been raised by advocates and opponents of 'Asian Values'. It is argued that research and development projects attempting to use social capital to inform their activities in Asia and the Pacific need to contextualise their understandings of the concept according to the cultural values and characteristics of any society they involve.

To this end, this paper also serves as an invitation for the establishment of a social capital network in our region, which could facilitate policy dialogue and public debate on issues surrounding social capital theory. It is hoped that local understandings of social capital generated through such a network can inform World Bank and other programs of the specificities of the cultural contexts they will be impacting upon.

Introduction

For researchers, theorists and policy-makers concerned with the nature of social reality, social capital has become an increasingly popular tool for understanding the 'ties that bind' societies and the effects they have on its functioning.

Debates on how the concept might best be defined and mobilized have drawn together ideas from a variety of disciplines, demonstrating its potential for creating consensus in theory and fruitful multi-disciplinary applications in practice. Unfortunately this potential remains unrealised, as the body of literature using the term 'social capital', in relation to an ever-broadening range of questions confronting increasingly diverse intellectual fields, simply grows (Adler & Kwon, 1999:1). Indeed, the proliferation of competing definitions, analytical methods and applications associated with the term is perhaps only dwarfed in volume by the literature critical of its theoretical ambiguity, ambitious conceptual scope and practical over-versatility (Baron, Field & Schuller, 2000:23-31). As Narayan and Pritchett more succinctly suggest "social capital, while not all things to all people, is many things to many people" (1996:2).

Although the jury is still out on the role of social capital in explaining some of the more puzzling mysteries plaguing the social sciences, the World Bank is taking active steps towards practical implementations of social capital-informed programs. At the time of writing, 12 World Bank projects "which will help define and measure social capital in better ways, and lead to improved monitoring of the stock, evolution and impact of social capital" were already underway (Serageldin, 1998:i). Implicitly then, the World Bank knows what social capital looks like, and are prepared to implement measures to foster its growth, because they are clear on the benefits it will bring to the societies involved in the projects. According to the Social Capital Initiative (SCI) of the World Bank, social capital refers to "the internal social and cultural coherence of society, the norms and values that govern interactions among people and the institutions in which they are embedded" (SCI Working Paper No.1, 1998:1).

Norms, values and social institutions, and their effects on interactions among people, vary widely across cultures, and even between subcultures within societies. Consequently, social capital, the means by which it is created, manifested and cultivated and methods for identifying it, must be also be diversely coded, according to unique cultural characteristics. Given that the lack of cultural contextualisation of the concept is just one of the many issues with social capital that is yet to be resolved, concern is being voiced by some developing country NGOs "that this is just one more development trend from donor countries which will impose a foreign model and ultimately fail to address the real problems of poverty and environmental degradation" (Roy, 1998:1). Even where programs invoking the concept of social capital do seek to be participatory in their design and implementation, there remains the problem of localized power relations and normative definitional ascriptions, for, as Kilby notes, "any ascribed beneficial or detrimental of social capital will depend on the perspective of the viewer and those whose interests are being served".

These criticisms seem particularly pertinent in our region, given past clashes related to 'Asian Values' and defense by academics, policy makers, and leaders in the region of the distinctiveness of Asian perspectives. While few people would argue that there is a set of distinctly "Asian" values which characterize the nature of all social life across the Asian region, the lesson to be learnt from previous Asian Values debates is that Western solutions aren't global solutions, and the basic nature of social reality in Asia does not necessarily resemble that of the Western world. Moreover, attempts to dictate the 'recipe of the West' to nations in the East will be met with animosity and contempt, because such approaches fail to respect cultural diversity or acknowledge the value of cross-cultural ideas exchange. There is the potential for social capital schemes to fall flat because of cultural insensitivity. Here the World Bank is already under fire to an extent because of the uniformity of structural adjustment packages advocated in the wake of the Asian economic crisis, that tended to disregard the unique historical and cultural factors influencing economic and social structures in each society (Miyazawa, 1999:5).

This paper does not seek to simply add to criticisms of social capital as a concept, or the World Bank as an organisation. Despite its weaknesses, the authors do recognize the value of the concept of social capital, particularly in the field of Development Studies, where it offers potential for more participatory, sustainable and empowering approaches in theory and practice. Furthermore, social capital is worthy of further development because it presents a potential link between policy level thinking and community level action. However, as the above discussion illustrates, the mobilisation of social capital requires a degree of sensitivity to the specific nature of the societies involved in order to have positive effects. The ongoing debate surrounding social capital provides the perfect opportunity for more dialogue and cooperation on the issue.

The purpose of this paper is therefore to encourage greater input from researchers and theorists with perspectives on social capital that can apply localized, contextualised understandings to a previously global concept. Beginning within our immediate region, it is the hope of the authors that input from concerned social scientists in the Asia Pacific region can inform World Bank and other programs taking place in their societies. Through cooperative dialogue and ideas generation from across the region, it is believed that social capital initiatives can achieve maximum positive effect and hopefully make inroads into confronting the problems facing our societies.

This paper initially presents a brief overview of the conceptual development of social capital and outlines some of the ways in which it is being used in social scientific research. A discussion of some of the more important criticisms of the concept is also presented. Having provided a background understanding of social capital, the paper goes on to discuss the implementation of social capital projects by the World Bank, and the need for greater local contextualisation of research. This discussion is presented within the context of the Asian Values debate, and examines a number of links between that earlier dispute and the questions surrounding the applicability of social capital in the South East Asian region today.

A 'Capital' Idea?

Several comprehensive discussions of the conceptual origins and subsequent intellectual development of social capital already exist, and as such the following outline will be brief to avoid unnecessary reiteration. Who was the first person to introduce the term social capital into our language is debatable, particularly since it continues to be defined and re-defined.

In the last decade the concept of social capital has been rapidly gaining momentum among the social development sector. Recently it has been promoted again by Robert Putnam in *Making Democracy Work* (1993), whose theory claims that western and developed countries are suffering from a lack of capital, a lack of internal investment and self-sustainability and renewal.

Putnam, Woolcock and others identify and acknowledge that our increasingly individualized lifestyles isolate us from each other and thus sever the relationships and bonds of trust we once held with each other. While much of the recent debate has centered on developed western countries such as the United States and emerging or transitional countries such as those of Eastern Europe (ex Soviet Block) this paper would like to examine the concept in the framework of development in Asia and the Pacific.

Particularly as recent reconstructions of social capital in the literature have tended to broaden its scope as a non-economic form of capital, setting aside its social, historical and cultural content, arguably to the detriment of its conceptual development.

Social capital is generally spoken of now in relation to the economic benefits it can bring, and its manifestation in social networks and associations. Thus social capital becomes an extrapolation from physical notions of capital, which is 'social' by virtue of its existence as the informational or other cultural externalities between individuals (Fine, 1999: 7).

This approach is typified in the work of Putnam, whose Italian-based studies of differential economic development according to local politics, put social capital on the map and spread its use to politics, the state and economic development. For Putnam social capital refers to "features of social organization, such as networks, norms and trust, that facilitate coordination and cooperation for mutual benefit...it enhances the benefits of investment in physical and human capital" (1993:1-2). This definition suggests that everyone benefits from the existence of social capital, and that all social capital is good. The overwhelmingly positive results of Putnam's research certainly led to the concept's current popularity amongst social scientists from a broad range of fields, and the rapid proliferation of studies invoking the concept in search of answers to a diversity of questions confronting them (Adler and Kwon, 1999:1).

The link Putnam was able to draw between the presence of social capital and positive economic performance made it an especially attractive concept in the field of Development Studies, where recent moves away from emphasis on market towards empowerment seem to have found in social capital their *modus operandi*. Even World Bank researchers have characterized social capital in this idealistic manner, heralding it as 'the missing link' in Development Studies which at last explains how economic actors interact and organize themselves to mobilize natural, physical and produced capital and generate growth and development (Grootaert, 1998:1).

In his theoretical overview of the literature, Woolcock (1998:193-6) was able to identify no less than seven substantive fields in which social capital is now being deployed: social theory and economic development; families and youth behaviour problems; schooling and education; community life; work and organizations; democracy and governance; and general cases of problems of collective action.

Parallel to this growth of theoretical and empirical work on social capital has been the necessary refinement of the concept through the growth of critical literature on the subject in each field. Unsurprisingly, common criticisms of the concept focus on its definitional diversity and operational over-versatility, and the related problem of how best to measure and analyze a concept with so many competing understandings. Much of the recent literature on social capital has been a shallower treatment of the subject to the extent that it has been abstracted from notions of power and culture.

Additionally, critics have argued that social capital is not always positive in its effects, and does not always appear in positive forms. These criticisms have approached Bourdieu's understanding of social capital by reintroducing power and culture into the equation from a sociological perspective.

Portes (1998) raises two important points in this respect: firstly he argues that distinctions must be made between the possessors of social capital, sources of social capital and the resources that are being claimed through the deployment of social capital. Theory and research that blends the above categories views social capital as entirely self-reinforcing and cumulative, such that societies rich in social capital inculcate a self-fulfilling cycle of prosperity, and unsuccessful societies have lacked and lack the proper social capital to develop (Putnam, 1993). When used in this way, social capital gives rise to an understanding of local development which reduces causality to a rigid determinism, producing tautological conclusions such as "the successful succeed" (Mohan and Stokke, 2000). The power to positively enhance living standards in this conceptualization is taken away from the societies under study and falls to an outside intervention which might stimulate social capital inception.

Portes further argues that social capital can produce negative consequences such as the exclusion of outsiders, excessive claims of group membership, the restriction of individual autonomy and self-perpetuating opposition to the social mainstream (1998:1-24). This further illuminates the way in which power relations greatly impact upon the operation of social capital within a society, by determining who has access to social capital, why some individuals have greater access to and can make fuller use of social capital networks than others, and why having a network around you is not completely valuable in and of itself because it will not produce social mobility if it is not linked to social status. This latter criticism has led to the idea that social capital links need to be vertical as well as horizontal in their effects.

This has prompted Woolcock and others to distinguish between bonding, bridging and linking social capital to describe the links that form between individuals internal to a group (bonding), horizontal links between groups of similar orientation (bridging) and links between very different groups or movements that are more vertical or diagonal in effect (linking).

A further critique of social capital is presented by Woolcock (1998) who argues that any particular form of social capital will have benefits and disadvantages and that the balance between these will vary from context to context. This argument demonstrates the importance of culture as a variable affecting social capital in any society. Cultural values will determine which forms of social capital are the most important or legitimate in a given society and will affect who the benefits and disadvantages of social capital will most likely accrue to. This is a particularly vital insight for Western theorists attempting to identify and foster social capital in cultures which are unfamiliar to them. Without an awareness of the cultural and social context in which they are operating, it is difficult to assess what is positive and negative social capital and how the flow on affects will be channeled.

Furthermore, Bourdieu views social capital as a resource of individuals which is based on connections and group membership. Social capital can be mobilized, accumulated, preserved (or depreciated) and transformed by an individual into other types of capital, such as cultural, economic or human capital, and as such is a form of power. For Bourdieu capital in all its forms is fluid, and is of changing value to the individual according to the volume of each form of capital they possess, the relative amounts of the different types of capital they possess, and the evolution in time of the volume and composition of their capital, which determines their social mobility. As we will discuss later, the reintroduction of Bourdieu to social capital theorization could potentially enable greater understanding of the way localized power relations, state policies and class distinctions affect an individual's ability to draw on social capital to improve their standards of living.

These criticisms are especially relevant to development programs attempting to stimulate the growth of social capital for a number of reasons. Firstly researchers will have to know what social capital looks like in order to access or foster it for greatest positive effect. Secondly, programs will have the opposite effect to that which they intend, if they inadvertently stimulate negative social capital. Thirdly, programs will achieve limited positive effects if they simply serve to further vested interests at local levels. And finally, social capital needs to be established multi-dimensionally: linking groups vertically as well as horizontally if class structures are to be challenged and the social mobility of the poorest in society is to be improved.

Social Capital and the World Bank

The World Bank's Social Capital Initiative has certainly benefited from Woolcock's and other researcher's critical investigations of the concept. The published summary of SCI findings to date outlines a three-dimensional perspective of social capital that includes its scope (or unit of observation), its forms (or manifestations), and the channels through which it affects development.

According to the SCI, the scope of social capital is far-reaching, with observable impacts at the micro, meso and macro levels. At the micro level it can be understood along the lines of Putnam as "those features of social organization such as networks of individuals or households, and the associated norms and values that create externalities for the community as a whole". The SCI does recognize, however, that these 'externalities' can be positive or negative in their effects on a society at this level.

At the meso level, drawing upon the work of James Coleman (1990), and adding a 'vertical component', social capital is understood by the SCI as "a variety of different entities (which) all consist of some aspect of social structure, and (which) facilitate certain actions of actors – whether personal or corporate actors – within the structure". The vertical component inherent in this definition is in the hierarchical relationships that exist within firms, or organized social groups, and therefore it recognizes that social capital can distribute power in a society in unequal ways.

At the macro level social capital is viewed by the SCI as "the social and political environment that shapes social structure and enables norms to develop" and thus includes formalized institutional relationships and structures in a society such as political regimes, the rule of law, the court system and civil and political liberties (Grootaert and Van Bastelaer, 2001:5). When analyzed from this level social capital can be most easily seen to have an effect on the rate and pattern of economic development, through its manifestations in formal institutions. This definition also gives rise to a range of potential prescriptive policy directions, for if macro institutions can be shown to be directly enabling of positive social capital development, then procedures can be devised so as to maximize the ability of those institutions to do so.

According to the SCI, social capital exerts its influence on development at the micro, meso and macro levels, as a result of the interactions between two distinct forms of social capital: structural and cognitive. Structural social capital is defined as established roles, social networks and other social structures supplemented by rules, procedures and precedents which facilitate information sharing, and collective action and decision-making. (the authors prefer to think of these structures as civil society).

Cognitive social capital is a far more intangible and subjective concept which refers to shared norms, values, trust, attitudes and beliefs (Grootaert and Van Bastelaer, 2001:5). Yet in almost contradiction of their previous definition the bank emphasis this type of social capital with the front page of their social capital initiative stating that "**Social capital** refers to the norms and networks that enable collective action."

These forms of social capital produce streams of benefits at the micro, meso and macro levels which affect development. The SCI's broad-ranging case studies indicate several such channels through which social capital can be seen to have impact, including information sharing and "mutually beneficial collective action and decision-making".

In reviewing the SCI's findings on social capital, two issues become immediately apparent. The first is that the World Bank is very optimistic about the potential benefits of social capital in the development context. The second is that for each definition of social capital, and the way it operates at each level of society, the link between social capital and economic performance is key.

The unbridled optimism of the World Bank's incorporation of social capital is evident in the breadth of its mobilization of the concept. The broadest possible understandings of the concept have been derived and implemented in a vast array of case studies and projects across a diversity of cultures and societies. As Baron et al (2000:25) indicate "the World Bank website on social capital and poverty suggests the following string of issues which 'interact with and are affected by social capital': Crime and violence; economics and trade; education; environment; finance; health; nutrition and population; information technology; poverty and economic development; rural development; urban development; and water supply and sanitation". Fieldwork conducted by the SCI under World Bank funding includes studies of water management in Java and genocidal conflict in Rwanda.

One long-term implication of this social capital fetishism has to do with the trickle-down effect to other donors and researchers. The World Bank's enthusiastic adoption of social capital will almost certainly lead to its mainstreaming in development practice (Ranis, 1997:75). Practitioners seeking Bank funding may feel it advantageous to include programs under the banner of "social capital" in order to be in keeping with trends at the highest level, whether they be well researched and grounded in sound theoretical understanding or not. This mainstreaming process is already underway, as Harriss and de Renzio (1997:920) report: "since 1993, 'social capital' has become one of the key terms of the development lexicon, adopted by international organizations, national governments and NGOs alike".

A further impact will likely be that development practitioners, following on from the World Bank, will not hesitate to apply social capital to a wide variety of issues. The resultant proliferation of understandings and applications of the concept could potentially render it meaningless, through token usage and increased conceptual vagueness.

A second issue that is noteworthy regarding the World Bank's mobilization of social capital is the emphasis placed on the relationship between social capital and economic performance. The ability to tie social capital to objective, measurable economic outcomes would seem to be of great importance to the concept's current status within the World Bank.

This is because the incorporation of social capital by the World Bank is part of a larger trend away from the 'State versus Market' approach of the Washington consensus, which advocated the power of free markets to resolve all development dilemmas, towards the apparently more State-friendly 'Post-Washington consensus' which acknowledges market imperfections and presents micro and macro strategies for interventions to address these (Fine, 1999:3). Social capital has an important role to play in this new consensus by providing explanations for civil, rather than market, imperfections and offering the potential for non-market improvements with impact upon the market (Fine, 1999:3). In this way it represents the exact social and political counterpart of the new post-Washington economic consensus. It provides 'the missing link' between state policy, civil society and economic performance while remaining suitably economics-friendly by being conceptualized as another form of 'capital'.

For those who have been concerned with the single-minded market orientation of the Washington consensus, this is a welcome change, as it concedes "a more positive role for the state and an awareness that development is a social process whose cultural underpinnings need to be understood" (Mohan and Stokke, 2000:10). Social capital has contributed to a move within the World Bank towards multiple stakeholder approaches to development involving partnerships between state, private capital and civil society.

However, the sustained emphasis on the link between social capital and economic performance raises new concerns for a number of commentators. Firstly critics argue that the adoption of social capital theory by the World Bank reflects the colonization of the social sciences by neoclassical economics as it attempts to give an economic rationale to all non-economic behaviour (Fine, 2001).

Thus the question of the role of the state in development, and its relation to the global economy, is side-stepped as the problems of development are reduced to market imperfections. To economists, social capital represents the non-market means by which market imperfections are (mis)handled (Fine, 2001:97). Consequently, a society's inability to insert itself into economic life in a cohesive and co-ordinated manner becomes the development issue to be addressed, rather than the economic basis of programs. As Mohan and Stokke argue: "Like modernization theory of old, the problem lies with the 'victims' of poverty and underdevelopment and not with the wider political economy".

Under the post-Washington consensus, social capital is being used to complement, rather than re-evaluate existing economic projections, thus justifying increased market interventions into civil society. Mohan and Stokke argue that this strong economic focus results in a high degree of selectivity in identifying which social phenomena constitute social capital (2000:18). Economists adapting economic models to suit such a vague notion will tend to refer to its "microeconomic specifics" as in infrastructure, trust, networks, transparency, monitoring and associations (Fine, 1999:11). This represents a highly reductionist approach to political economy in which conflict-oriented notions of power, class, gender and ethnicity are abstracted from understandings of the concept. In this way, as Fine (2001) observes: "Social Capital allows the World Bank to broaden its agenda while retaining continuity with most of its practices and prejudices which include benign neglect of macro-relations of power, preference for favoured NGOs and grassroots movements and decentralized initiatives".

More positively, one significant finding of the SCI has been that social capital looks very different in different societies, and at different levels of societies, and projects that have been launched to measure, analyze and foster it have adopted vastly different understandings and approaches. Herein lies the opportunity for greater regional dialogue: the scope and breadth of social capital allows for a diversity of understandings, and the World Bank having recognized this should be open to localized interpretations from researchers and policymakers in our region.

Calls for the cultural contextualisation of World Bank initiatives are not new, and perhaps seem a little obvious. However this issue becomes particularly pertinent in the case of social capital because of the nature of the concept. Successfully implementing a social capital program requires recognizing distinct culturally-embedded forms of social networks, interactions and values. In addition to which the concept remains to be fully developed, and while theoretical clarity eludes social capital initiatives it would seem inadvisable to apply the concept in such broad contexts under a misguided assumption that it is a universal solution. Furthermore, because social capital has so far been conceptualized in such broad terms, social capital programs will have profound effects on the social fabric at the most basic levels. A concept with the potential for such pervasive impact begs careful refinement and investigation before widespread implementation.

If World Bank and other donor projects mobilizing social capital can be informed by local understandings then they stand to be more effective, participatory and culturally sensitive means of achieving sustainable development practice.

The Asian Values debates are a recent indication of the reaction that can be provoked when a consultative, consensual approach is not adopted by Western theorists with a few case studies and a big idea.

Social Capital and Asian Values

On the surface, debates over social capital appear unrelated to earlier discussions about Asian Values. However, on closer inspection there are significant imbrications that have implications for World Bank programs in the Asian region.

For those following the development of the social capital literature, the discussion generated by studies conducted in the West, and in particular in the United States, may sound vaguely familiar. In relation to social capital we have theorists lamenting the civic decline of American society (Putnam, 1995) and the increased lack of trust between civic actors (Fukuyama, 1995), which has led to the degeneration of social virtues and the idea that we are increasingly isolated in our societies. Five years earlier these same trends were pointed to by leaders such as Lee Kuan Yew and Dr Mohammed Mahatir as indicators of the evils of Western individualism and the social disintegration and ill-discipline that results when communitarianism is sidelined in favour of civil and political liberty (Milner, 2002:2).

Other parallels are noticeable between the two debates in terms of what is considered positive social capital, and the social values that have previously been labeled as 'Asian Values'. In particular the idea that an emphasis on communities and collectivism over government and civic relationships that solely support the individual is an obvious overlap.

These parallels have led to the gradual emergence of literature attributing achievements in poverty reduction and equitable distribution of economic growth in South East Asia to a social capital that is perceived to be inherent in the cultural values of Asian Societies. This argument is made implicitly by Oxfam International researchers in their 1997 *Growth with Equity Report*:

"The real source of East Asia's success is located in policies based on a strong commitment to human development through public investment in the poor, and policies designed to achieve employment-intensive growth. Strong and mutually reinforcing linkages have been established between growth and poverty reduction, with the expansion of opportunities enabling the poor to produce their way out of poverty rather than awaiting the 'trickle down' of wealth produced by others".

www.oxfam.org.uk/policy/papers/equity/intro.htm.

And echoed more effusively by Grootaert, of the World Bank's SCI, in support of his acclamation of social capital as "the missing link":

"The high growth rates of the East Asian "miracle" economies, relative to other parts of the world, can only be explained in part by conventional factors such as investments in human and physical capital and technology. Government policies provided an enabling environment, characterized by institutional arrangements and organizational designs that enhanced efficiency, exchange of information and cooperation between government and industry... (This case) displays an aspect of social capital and its contribution to economic growth" (World Bank 1993; Stiglitz 1996)

It would be a mistake to superimpose social capital onto Asian values. Very few would still argue that there exists a distinctive set of cultural values that characterize most Asian societies. Such statements belie the immense cultural diversity of the region and contradict what we know about long-standing religious, political, ethnic and linguistic divisions in the region. In addition to which, the Asian region is one which has undergone enormous cultural and social transformation over the past twenty years.

However, as parallels are increasingly being made between social capital and Asian Values, it is important to clarify what really are the important lessons to take from the Asian Values debate into further discussions about social capital.

The first is that economic performance, and any mechanism, such as social capital, which is said to be linked to economic performance, cannot be analyzed in culture-free terms. Cultural, social and historical contexts inform and shape economic development. As Kiichi Miyazawa suggests in his address to the World Bank symposium on global finance and development: “we all need to recognize that each developing country basically should judge, choose, and implement it’s own way of developing its economy. The economic system in any country is an aggregate of the market and other systems as well as organizations developed and integrated in the historical, cultural, and social context in each country. Thus, it is closely linked to the country’s social structure and the values of its people” (www.mof.go.jp/english/if/e1e068.htm).

Secondly the imposition of Western systems and values ignores cultural uniqueness and invites an antagonistic response. The point has been made that there is a diversity of perspectives in the Asian region that are distinctly different to Western approaches. Western societies do not represent the perfect model of how societies should operate, and as such should not assume the role of teacher. Cross-cultural exchange, respect for diversity and ideas sharing will produce more effective, multi-perspective solutions to the many different problems we face in our societies.

Recommendations

Given the considerable momentum behind the uptake of the concept of social capital it is reasonable to expect its widespread incorporation into development programs in our region. This process stands to be more empowering, sustainable and positive in its effects should it benefit from the input of recipient countries into how social capital should be defined and implemented according to local contexts.

Ideally this input should take place in the form of respectful dialogue which allows for the cross-fertilization of ideas from donors and recipients, rather than the antagonistic East versus West mud-slinging that characterized the Asian values debate. If the Asian values debate resolved nothing else, it was certainly valuable in demonstrating that cultural differences shape people’s understandings of the world in very distinctive ways, and these differences enrich our societies by providing a diversity of perspectives and presenting alternatives views of life.

It is therefore important at this stage to identify:

- To what extent the concept of social capital is relevant and appropriate to Asian societies;
- To what extent cultural context influences social capital
- How regional policymakers can utilize social capital.

Thus it is recommended that a forum for discussion be established with the goals of: promoting regional cultural perspectives in projects implementing social capital; preparing policy makers and researchers in the region for social capital initiatives; and, establishing a network of development professionals interested in social capital. By raising awareness of the debates surrounding social capital and contextualising research projects through the input of local researchers and policymakers, it is hoped that social capital initiatives throughout the region will have maximum positive effect through increased cultural sensitivity and greater local participation.

Conclusion

The time is right for greater input to be made into World Bank social capital initiatives by recipient societies. There is still much debate on the topic of social capital, suggesting that the shape that social capital programs will adopt is still open to discussion. Thus one of social capital's weaknesses becomes one of its strengths: the conceptual scope and breadth of social capital allows for a diversity of localized understandings. The World Bank's SCI research has concluded that cultural contextualisation is important to social capital programs, because proxy indicators that could be used to identify, measure and foster the growth of social capital will differ greatly between societies (Grootaert and Bastelaer, 2001:9). Therefore local voices interested in asserting their unique perspectives on the topic have in the World Bank a willing listener. Furthermore it is important to generate discussion in our region, and collate regional understandings of social capital now, before the trickle down effect to other donor organizations entrenches versions of social capital that are inappropriate to the local contexts in which they are employed. Certainly there can be no doubt that should World Bank and other donor projects based on social capital be informed by local understandings then they stand to be more effective, participatory and culturally sensitive means of achieving sustainable development practice. Organizing a formal dialogue network to coordinate and collate these ideas is one effective means of ensuring they are heard. The fact that creating a forum to discuss social capital in the Asian context will constitute a form of social capital development in itself, through information sharing and collective action, is also somewhat fitting.

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