Article Review:
“The Social Capital of the World Bank” (Ben Fine) and “Collective Action, Common Property and Social Capital in South India: An Anthropological Commentary” (David Mosse)

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Written as part of a MA in Globalisation and International Development at the University of East Anglia
(Module: Contemporary World Development)
The social capital concept became prominent within development at the end of the 20th Century (Harriss, 2002). Törnquist (1999: 95) defines social capital as the, “interpersonal trust that makes it easier for people to do things together” and it was considered by the World Bank to be the ‘missing link’ (Grootaert, 1998). As the ‘missing link’ social capital is used to explain why countries with similar natural resources, physical geography and human capital experience dramatically different levels of economic growth (Grootaert, 1998). It is also used to link the social science disciplines to economics (Haynes, 2008). This article review will explore two articles that contribute to this aspect of the social capital debate. Fine (2001), an economist, and Mosse (2006), an anthropologist, argue that rather than providing a bridge, the idea of social capital causes confusion.

In his article, Fine (2001) suggests that the World Bank adopted the idea of social capital because it supported their post-Washington consensus agenda. He concludes by saying that it is not the “missing link[s] to be critically addressed but the economics of the post-Washington consensus itself.” (Fine, 2001: 151) For Fine, social capital, instead of providing solutions, causes confusion by creating a ‘smoke screen’ that focuses attention on the wrong issues.

There are two main threads to Fine’s argument. Firstly, he evaluates the World Bank’s use of social capital in economic analysis. He raises several concerns including the idea that introducing social capital into economic models introduces too many variables resulting in models that are too complicated to be useful. Ultimately, Fine questions what introducing social capital into economic analysis actually reveals and suggests that the concept was not primarily adopted because it was enlightening, but rather it helped support the case for the post-Washington consensus. These ideas have also been explored by Sabatini (2006a) who raises similar concerns regarding the use of social capital in empirical research and emphasises Fine’s conclusions regarding the post-Washington consensus. Sabatini (2006b) explains that as it became obvious that market intervention was necessary, the World Bank preferred the idea of building social capital through civil society rather than having to endorse state intervention.

This idea of the convenience of ‘social capital’ for the World Bank is further supported by the second thread of Fine’s arguments which is based around his review of their social capital website. Fine’s criticisms have two focal points. Firstly, he problematises the vagueness surrounding the term ‘social
capital’. Being that the term can be used to mean so many different things, potentially makes it meaningless, and certainly results in confusion. Secondly, he expresses concern at the way a wide variety of topics are incorporated into the social capital idea. Fine agrees that the social sciences need to be incorporated into World Bank thinking, but doubts that they are being taking seriously within social capital. Therefore, by adopting the concept of social capital, the World Bank may appear to be bridging the gap and considering important social issues, but in reality they are still pursuing the same economic agenda.

While Fine raises concerns about reducing social science into a narrow concept, Mosse (2006) provides a specific example of why it impossible to do so. In the 1990s, Mosse investigated the collective action surrounding the common property irrigation tanks in the Tamil plains region of India. The results of his research deconstruct the central tenet of the social capital idea by revealing that increased density of association does not result in more effective collective action. His research showed how the collective action of the upper villages was rooted in tradition and depended on factors such as caste power, not associations. In fact, he discovered that associations were discouraged. Then, in the lower villages, where cooperation was weak, he discovered that not only was associationalism thriving, its growth was often due to the erosion of traditional caste systems, the factor that facilitated effective collective action in the upper villages. Mosse’s research provides concrete support for many of Fine’s theoretical suggestions. For example, Fine explains the limitations of cross-section analysis when measuring a dynamic concept such as social capital. Mosse’s research reveals that it’s impossible for an economic model to capture the complexities of the factors involved.

The essence of Mosse’s conclusion is similar to Fine’s. He is unimpressed at the World Bank’s attempt to bridge the gap between the social and the economic, he raises concern about reducing a broad discipline into a narrow concept, and longs for social relations to actually be taken seriously at the World Bank. They both, not only express concern with the idea of social capital, they go as far as saying it should be avoided. Fine (2001: 151) explains that, “economists and non-economists need not enter the highly loaded analytical terrain being established around social capital”. Then, Mosse, in his introduction argues that understanding disciplinary distinctions can be more effective that crossing or blurring the boundaries.
Their general conclusions are similar to the views held by other influential social capital critics (e.g. Harriss, 2002). I agree that the lack of definitional clarity makes social capital unhelpful as a concept and its dynamic and dependent nature renders it too complicated for inclusion in economic models. However, I do not find their suggestion to avoid the social capital arena useful. Sabatini (2006b), in his more moderate criticisms of social capital, suggests that it should be viewed as praxis rather than a concept. Inserting social capital into an economic model theory is going to remain problematic, but in terms of practice, the social capital arena could “facilitate the cross-fertilization of ideas across disciplinary boundaries.” (Sabatini, 2006b: 3) This is something that the proponents of social capital always wanted to achieve (Woolcock & Narayan, 2000).

Fine’s and Mosse’s contributions to the debate show that social capital has not provided a useable bridge as its advocates had hoped for. However, despite their conclusions, I believe it may have provided a space for inter-disciplinary dialogue to take place, therefore, viewing social capital as praxis rather than a concept and seeking a balanced dialogue maybe a more constructive way forwards.
Bibliography


