

## **Social rights and social capital: Welfare and co-operation in complex global society**

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### **ABSTRACT**

Social rights are important and popular, but the socially inclusive activities they mandate carry a financial cost. They are thus supported by welfare, and undermined by threats such as commodification, stratification and familialisation identified by Gøsta Esping Andersen. Welfare should thus support social interaction, and with it social capital. I examine the theoretical relationship between welfare and social rights via the study of social capital. Social capital is a useful but contested concept, with ongoing confusion over indicators and (negative) outcomes. However, I argue that the bonding/bridging distinction offers a good way past these problems. Bonding and bridging incorporate two types of networks and *two types of trust*. Bonding is more exclusive and based upon rational familiarity, while bridging is more inclusive and based upon norms of civility. I suggest that *norms* of trust inherent to bridging social capital are supported by universal welfare regimes, whilst *rational familiarity-based* trust inherent to bonding social capital must play substitute when welfare regimes encourage individual and familial reliance instead. I argue that a shift from bridging to bonding and a loss in social rights is taking place, as welfare is rendered more punitive, stigmatised, and individualised within liberal welfare countries like Australia.

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## Introduction

Social rights have become a widely accepted part of civilised and industrialised society since World War II. They are part of the classic triumvirate of civic, political and social rights defined by T. H. Marshall. However, in principle support for social rights does not necessarily translate into practical support. Despite ten years of continuous economic growth in Australia, disadvantage and exclusion remain entrenched within particular geographic locations in this country (Vinson 2004) and amongst vulnerable sections of the wider community, such as immigrants, Indigenous persons, women, the young and the old (Grieg et al. 2003). Entrenched exclusion represents a practical failure to secure social rights, though the reasons for it are complex and likely to be related to changes in welfare, civic society and global integration and complexity. Elsewhere, I have attempted some initial empirical untangling of the relations between these factors (Patulny 2005), but understanding cause and effect in this area is still a long way off. However, theoretical examination of one of these factors in particular—social capital—raises some interesting possibilities concerning the relationships between rights, welfare, and the strength of society.

Social rights are different from other rights. Civic rights ‘necessary for individual freedom, liberty of the person, freedom of speech, thought and faith, the right to own property and to conclude valid contracts, and the right to justice’ (Marshall 1973, p. 8) and political rights ‘to participate in the exercise of political power, as a member ... or as an elector of the members of such a body’ (p. 8) are widely acknowledged as important and defensible rights. Social rights are also popular, but are more contentious. Marshall defines social rights as ranging from: ‘the right to a modicum of economic welfare and security to the right to share to the full in the social heritage and to live the life of a civilised being according to the standards prevailing in the society’ (Marshall 1973, p. 8).

Unlike civil and political rights, the institution of social rights requires resources and finances. It is thus potentially at odds with a capitalist system that generally assigns resources on the basis of the ability to pay rather than the needs of equality or civility. Welfare is the compromise between two opposing needs—for efficient production and civilised living—and ensures the maintenance of social rights.

Welfare serves as a defence mechanism against the perils of the capitalist market. The widely acknowledged authority on welfare regimes, Gosta Esping-Andersen (1990), identifies three major perils of capitalism. The first of these is ‘commodification’, or the rendering of life and prosperity almost completely dependent upon market-based work. This is more than just a focus on work; the production and consumption functions incorporated in Esping-Andersen’s depiction of commodification are often accompanied by unchecked overwork and materialism. The second is social ‘stratification’, which can produce great excesses of inequality and hierarchy. The third is what he calls ‘familialisation’ (Esping-Andersen 1999), or the entrenchment

of inequitable gender divisions and poor family outcomes via women's excessive reliance on conservative paternalistic family forms for support. Welfare protects against these perils through payments such as unemployment, sickness, and maternity and childcare benefits to ensure 'civilised minimum' standards of living.

Insofar as welfare redresses these perils, social inclusiveness is likely to be enhanced, and social rights upheld. Social rights and 'civilised minimums' are relative concepts: they depend on the prevailing standards of a society. The 'relative' nature of such standards, and the provision of a minimum level of income by the state to afford them, has been contested within in poverty debates in particular (Saunders 2005). However, the notion that being unable to afford the basics of what citizens of a country would call a 'normal' way of life leads to a loss of 'capability' (Sen 1998) and a rise in social exclusion is fairly well accepted, and central to prominent studies of social exclusion in the United Kingdom (Gordon et al. 2000; Levitas 2000; Bradshaw 2003) and Australia (Bray 2001; Saunders 2003). Welfare should thus serve as a useful platform for enacting social change, and supporting the social right to participate in society and build social capital.

However, the success of welfare states in supporting and affording these goals is increasingly being questioned. With competitive pressures increasing as a result of the integration and globalisation of economies internationally, welfare has come under attack in Australia and other, particularly English-speaking, countries, not only as an inefficient distorter of the free market (Goldberg 2002a), but also as a threat to social integration. Commentators from welfare regimes based on 'liberal' values (which I will describe further below) argue that welfare actually erodes community and social capital, through encouraging dependence on the services of the state (Wolfe 1989; Saunders 2005). Commentators from welfare regimes that are based on social democratic values, on the other hand (a type I will also describe further below), argue that welfare directly supports social capital through alleviating stigma (Rothstein 2003). Each regime has different assumptions about the nature of society, and about the motivations that underlie social capital. A more in-depth analysis of social capital and the distinction between 'bonding' and 'bridging' will clear up some of these assumptions and shed some light on just how social capital relates to welfare.

In this paper, I will examine the differences between Australian and other welfare regimes, and establish their relationship to social capital and social rights. I first outline some of the main theoretical advances in the concept of social capital, focusing on the distinction between bonding and bridging social capital. I then look at the structure of Australian welfare in comparison with welfare in other regimes, and explain why different types of social capital have closer relations to different types of welfare. I address the likely negative impact of increasingly complex and globalised society; a full summation of globalisation is, however, beyond the scope of this paper. Also beyond this paper's scope is an examination of the role of leaders pushing neo-conservative/liberal ideologies in welfare reform. I do suggest, though, that support for

such leaders is heightened by global uncertainty, distrust and conservatism. I conclude the paper with some speculations on how welfare and social capital interact in Australia's liberal welfare regime, and how this compares with other welfare regimes.

Essentially, I am suggesting here that we are seeing an erosion of 'bridging' civil society in Australia and other liberal countries, and its replacement with a more insular form of 'bonding' co-operation and social capital. That is, as liberal welfare systems in countries such as Australia change and become more punitive, stigmatised and vulnerable to global pressures, tolerance towards strangers declines. In particular, the 'deserving' working and tax-paying middle classes start to see the 'undeserving' recipients of welfare as an unwelcome reminder of what it means to 'fail' in the global market. This adds impetus to the need to put one's head down, work hard and support one's family. Unfortunately, putting one's head down behind the picket fence also means failing to look up and see the larger world going by. Such an attitude has negative consequences for civic society, as this paper will make clear.

### **Social capital and the importance of the bonding/bridging distinction**

Empirical investigations comparing countries have found that levels of inequality are rising (Smeeding 2002); other studies have found that social capital, in the form of trust, is declining in a number of countries (Inglehart 1999). More recent studies have linked the two phenomena (Schwabish et al. 2003; Uslaner & Brown 2002). These findings indicate the possibility of strong links between welfare and social capital, and the possibility that changes in welfare states are driving declines in social capital (Patulny 2005). However, theory explaining these links is under-developed. To begin to redress this, it is important to take a brief look at the most contemporary ideas concerning social capital.

Social capital is a useful, if not definitive, concept for gauging the civic strength of societies, popularised in recent times by Robert Putnam's work on civil society. Social capital has multiple definitions, the most commonly accepted one being the Organisation for Economic Co-operation and Development (OECD) definition, which I use here as a working definition: 'Social Capital is networks together with shared norms, values and understandings that facilitate cooperation within or among groups' (Cote & Healy 2001).

This definition, like the concept as whole, is not uncontested. There are several notable problems which I have discussed in greater detail elsewhere (Patulny 2004), but will reiterate briefly here. The most important is tautology, or the propensity to multiply indicators of social capital so that the term includes everything but specifically means nothing and therefore results in nothing (Portes & Landolt 1996). Indicators of the social capital become confused with outcomes, which leads to inaccuracy in measurement. Saunders (2005), for example, uses decreasing crime rates as an indicator of increasing social capital, and cites the cause as declining

welfare over the past decades. Such an assertion is designed to boost an ideological, anti-welfare position, and ignores the vast literature emphasising networks as the central feature of social capital, and the burgeoning literature suggesting that crime is a separate and distinct outcome of social capital (for example, see Sampson & Raudenbush 1997; Halpern 2001).

Other problems with the concept include ownership of social capital—is it owned by the collective (Putnam 2000) or the individual (Bourdieu 1986)?—the possibility that bonding and bridging social capital can conflict with each other (Patulny 2004), the existence of negative social capital (Portes & Landolt 1996) and victim blaming (Grieg et al. 2003). The last of these concepts is the one most often raised by defenders of the welfare state, who argue that social capital theory encourages community self-reliance without due consideration of the structures required to build that self-reliance (Fattore & Turnbull 2003). These critiques tend to favour Bourdieu's more politicised perspective of networks that are closed and exclusive over Putnam's depiction of broader social networks, a perspective that is important to appreciate. However, these critiques fail to see past the misuse made of the concept by those commentators (Costello 2003) who conflate social capital with self-reliance and promote it as a substitute for welfare provision. I will return to this idea later, when I examine self-reliance and victim blaming more closely.

Despite its faults, social capital is a useful measure of the strength of networks in societies. It is acceptable to conceive of social networks as a form of capital in that they are cumulative (Robison et al. 2002). They are also made up of several components, each of which should be measured separately (Stone & Hughes 2002). Two important aspects of social capital should be emphasised, however. First, the central normative component of social capital is trust. Second, there exist two major forms of social capital networks that are capable of mutual interaction: bonding and bridging. I examine each now in turn.

Trust is central to social capital. Political scientists tend to suggest that trust is a norm, culturally and historically derived. Fukuyama (1995) asserts that trust and welfare are both products of history, reinforcing each other in a manner that is often beyond the ability of individuals to shape and engineer. However, political scientists lack explanations for why trust changes and declines. Sociologists note that if trust is a historical norm, it is highly vulnerable to structural influence. Luhmann (1979) says that trust arises under conditions of uncertainty, in order to facilitate social action: it manifests as a mechanism for interacting with strangers when people lack the information they need to calculate whether others are trustworthy or not—to trust is to take a necessary 'leap of faith'. Luhmann's conception of trust has been imbued with an 'emotional' quality, as it can explain an instinctual capacity to act despite a lack of information concerning broad generalised social situations (Barbalet 1998). Trust, for these sociologists, is thus antithetical to information.

Somewhat ironically, economists see trust as a product of information and rational choice (Dasgupta 1988), as depicted in reiterated 'prisoner's dilemma' scenarios. For economists, repeated interaction increases information concerning the rewards gained by co-operating and the sanctions resulting from failing to co-operate. Having more information therefore makes trusting an increasingly rational action. Some sociologists see a balance between rational choice and social norms, with Coleman (1990) suggesting that people trust on the basis of information concerning the normative sanctions and rewards of our society. These are conflicting viewpoints: in a social sense, trust can be related both positively and negatively to information.

I suggest that there are two kinds of trust, and that they can be linked to a distinction between generalised and particularised trust proposed by Uslaner (2002). I suggest that generalised trust is normative and emotional, and related to tolerance, faith, and trust in 'strangers'. It is adverse to information, in that the generalised truster trusts in a 'moral' sense, accepting and tolerating above and beyond what their rational calculations tell them is appropriate (Mansbridge 1999). As generalised trust is steeped in tolerance, and supports all persons universally regardless of familiarity or perceived merit, it is strongly related to social rights. However, being normative, it is also susceptible to structural forces and influences; it can be eroded or built up through changes in the larger social structure. If we experience generalised trust, we trust strangers. We do not necessarily trust the state or politicians; trust in government is more related to confidence in systems and their efficient functioning (Luhmann 1979; Giddens 1994; Barbalet 1998), political ideologies, and the personalities of leaders than to generalised trust. Particularised trust, on the other hand, is rational. It is more related to agency, and is linked to specific experiences people have concerning other people (Uslaner 2002). It is linked positively to information about expected sanctions and rewards, and is the type relevant to trusting familiars, those we know. It is probably a deeper form of trust; it is also based on information and discernment, and is therefore more rational (Dasgupta 2000).

Within social capital literature, particularised and generalised trust have been linked to Putnam's bonding and bridging capital respectively (Patulny 2004). The former requires information, the latter is based on acceptance and tolerance. There is a potential third form—linking social capital—which I argue is subsidiary to bridging. I discuss this further below, in the context of relating social capital to welfare regimes. Bonding and bridging (if not linking) are now accepted as aspects of social capital by an increasing number of commentators (for example, see the various international contributions to Putnam & Goss 2002). What is less accepted is the possibility that one or another of these types of social capital might develop at the expense of the other (Patulny 2004). I turn now to an examination of how globalised, complex society interacts with these different types of social capital.

## Relating social capital to welfare

The connection between bridging social capital and tolerance points to bridging social capital being the most important type of social capital when it comes to securing social rights. A potential rival for bridging social capital in this role is 'linking' social capital. Woolcock (2000) describes this as the linkages between—particularly the confidence individuals and communities have in—economic, political and social institutions. However, it is unclear whether such 'linking' flows along network lines—making it a type of social capital—or whether it is a separate thing more appropriately conceived as an outcome of other forms of social capital.

I suggest that the latter option is more correct, and that 'linking' is separate from social capital. I also suggest that it is dependent upon bridging social capital, for democratic government cannot function without general goodwill and trust between strangers, (Grootaert 1998; Narayan 1999). Government cannot build social capital directly. They can, however, facilitate its development by providing the stability and support that enable communities to develop it for themselves. Fukayama sees this in compacts between business, unions and government in Germany and Japan (Fukayama 1995). In Australia, Latham (1998) has called it the 'enabling state', whereby the state brings 'actuarial' strength and universality—in the form of financial resources and widespread provision of services—to balance and support 'spontaneous' interpersonal trust. The quality of the support will vary according to the type of welfare structure a country has in place. It is important to compare Australia's welfare structure with others in the industrialised world, and to discuss how such structures support bridging social capital.

With a few important exceptions, Australia's welfare falls within the larger regime identified by Esping-Andersen (1990) as liberalism. Liberalism is an Anglo regime operating in Australia, as well as the United States, Canada and the United Kingdom. This system is predicated on the belief that the market can service most needs and will inevitably reduce poverty, and that welfare may impede the efficient functioning of the market; liberal values are therefore the most inherently anti-welfare. For liberals, only a very basic system of means-tested public provision is necessary for those unable to participate in the market (essentially, the old and the infirm). The 'residualist' nature of such welfare—subject to the 'suspicion' inherent in means testing—is unlikely to encourage tolerant attitudes conducive to supporting social rights and bridging social capital.

Liberal welfare states have not always followed the pure market model. Some commentators note that Australia has differed historically from liberal welfare traditions in a couple of ways. First, it has had universal payments, in the form of the original age and disability pensions of 1908, and universal child allowance since the 1950s (Kewley 1973). Second, it has had a unique system of centralised wage arbitration (Castles 1985). This system has excluded women, Indigenous and immigrant persons, but nonetheless guaranteed a minimum, living and increasing

wage for families. However, the majority of payments within Australia have remained to some degree selective, and Watts (1987) notes that both sides of politics in Australia have always seen welfare as residual and subsidiary to the needs of private enterprise. This ensures Australia's classification as a liberal regime, rather than as one of the other two alternatives, which I will now briefly describe.

The first alternative to liberalism is corporatism. This system is common in continental Europe—France, Italy, Germany and Austria—and stems from conservative values associated with maintaining control by the old monarchy, church and patriarchy of Europe. Distinctions have been made between corporatists in central Europe and the more clientelistic Mediterranean or 'Latin Rim' countries (Esping-Andersen 1999; Morlicchio et al. 2002), as well as the emerging corporatists in Asia, such as Japan (Esping-Andersen 1999) and China. However, despite their differences, all are similar in their attitudes and in their structural orientation towards preserving status and linking social insurance to the status of one's work. This is unfortunate for those in poor working conditions or largely without work, such as women, migrants and the long-term unemployed, and is unlikely to promote tolerance and encourage bridging social capital.

The second alternative is social democracy, typified by Norway, Sweden and Denmark (and The Netherlands increasingly, particularly in terms of asserting social rights). This system is based on a belief in universalism, inclusion and equality, and provides insurance for all and a flat rate system of provision for the poor. This model is probably the best at facilitating bridging social capital through warding off Esping-Andersen's capitalist perils—commodification, stratification and familialisation. Australia clearly fits neither of these models, either historically or in its reaction to global pressures. This has repercussions for social capital and social rights, as I will now show.

### **Global threats, national responses**

For Esping-Andersen (1990), only universal systems of welfare provide the full set of protections for social rights. Furthermore, social rights are generally deemed to be good and positive things, worth protecting in all societies. Given these two facts, an obvious question arises: why is 'universalism' not universal? If universal systems are so obviously the best for protecting social rights, why hasn't every country adopted them? I suggest a two-fold answer to this question. First, a rise in global complexity has placed new pressures on welfare systems. Those states that have weakened their welfare systems in response to these pressures have seen trust and civic society diminish (Schwabish et al. 2003; Uslaner & Brown 2002), undermining the support base for just such a universal welfare system. Second, amongst liberal countries in particular, there has been a resurgence in conservative values, re-emphasising the residual nature of welfare and stigmatising its recipients; this is likely to further undermine the support base for universal welfare and for social rights and bridging social capital. I discuss each of these issues in turn.

First there is the issue of the direct impact of globalised, complex society upon civic co-operation. Economies and societies have undoubtedly become more integrated and competitive in recent decades. Whether this equates to 'globalisation' is problematic; Hirst and Thompson (1996) critique the concept of globalisation with several powerful observations concerning the longstanding internationalisation of the global economy, the rareness of truly homeless transnational companies, the continuing first world retention of investment, and the power of elites as opposed to global competition.

However, it is hard to deny that social change on a global scale has taken place, and is likely to be strongly implicated in an erosion of civic sentiment, in Australia and other countries. Putnam and Goss (2002) identify technological change, welfare and inequality, changing household demographics and socio-demographics, and increasing migration and cultural change as possible reducers of community and social capital. These reducers are also discussed in much of the literature concerning various components of what is described as community erosion—television (Putnam 2000), work organisation, (Sennett 1998) overwork (Schor 1991), inequality (Uslaner and Brown 2002), changing household dynamics and gendered work practices (Bittman & Pixley 1997), increasing racial heterogeneity (Alesina & Glaeser 2004), and even culturally based terrorism (Putnam 2002).

Such phenomena relate to welfare in that they are reflected in Esping-Andersen's theoretical concepts. Commodification encompasses work organisation and overwork directly, and materialism and media technology (through advertising and consumption) indirectly. Stratification relates essentially to inequality, race dynamics and terrorism. Familialisation captures household and gender dynamics. All three, collectively, can also be seen as contributing to increased social complexity. Giddens (1994) notes that the complexity inherent in late modern society makes personal and intimate interaction more difficult; Giddens also predicted a decline in interpersonal trust within developed countries. What is interesting to note, however, is that trust is declining only in the Anglo liberal countries of the world (Patulny 2005).

This brings us to the second issue, which relates to ideology, conservatism and, ultimately, values—why are liberal countries more vulnerable to global change (in terms of declining trust)? How have differing underlying value systems shaped the responses of the welfare regimes to global pressure? Weiss (1998) suggests that globalisation has strengthened rather than weakened some nations, whose distributive (welfare and investment) policies have enabled them to develop an economic and social advantage (comparatively speaking). She and others argue that the strength of external pressures is in fact largely a function of both the weakness of internal institutions (Weiss 1998; Swank 2002) and local political struggle (Hirst & Thompson 1996)—both of these will, naturally, reflect a country's political values, conservative or otherwise. Castles (2004) also notes that despite expectations to the contrary, social expenditure has not decreased when examining industrialised countries as a single bloc from 1980 to 1998. However, Castles does note that there

has been a convergence to type—a growing similarity of welfare expenditure among countries with the same type of welfare regime—suggesting support for Esping-Andersen’s categories and the possibility that they are responding to global change in tandem. Further support for Esping-Andersen’s typology is found in the longitudinal analysis of Goodin et al. (1999), which confirms marked differences between the welfare structures, values and outcomes such as poverty of The Netherlands, Germany and the United States—representatives of all three welfare regime types.

In looking at the responses of the three welfare regimes to global pressure, we see that corporatists tend to show the most variation. There have been limited reforms towards levelling traditional patriarchal hierarchies and allowing choice in countries such as Italy through improvements in payments and childcare services to women (Morlicchio et al. 2002), as well as a movement towards investment in human capital rather than welfare retrenchment to cut costs in Germany (Weiss 1998). However, more recently, even Germany has seen a movement towards what looks like a more distrustful form of user-pays and means-tested welfare benefits (Backer & Klammer 2002). Social democracies have generally preserved their extensive and universally oriented welfare systems despite the pressure of global, complex society. Their values are the most strongly opposed to diminishing welfare. Some, such as Sweden, are showing signs of growing enthusiasm for the liberal model of means-tested welfare benefits and welfare wind-back (Weiss 1998). Others, such as Norway, retain a strong emphasis on universality, and have incorporated newly expanded childcare payments and places (Waerness 1998; Vagge 2002). Some Scandinavian researchers as well are beginning to highlight the positive links between welfare and civic society as an act of resistance to neo-liberal welfare change (Rothstein 2003).

It is in liberal countries that the most uniform movement—away from universalism—is taking place. Despite not reducing social expenditure (Castles 2004), liberal regimes have certainly undertaken the most extensive movement away from universal untested provision over the past 20 years. Reductions and ‘individualising’ changes in liberal welfare—such as mutual obligation and the linking of welfare to work requirements in the form of ‘workfare’, tax credits, and increased means-testing—have been documented by a number of authors in Australia (Goodin et al. 1999; O’Connor et al. 1999). Jamrozik (2001) describes this as a movement away from the egalitarianism of the wage earners to a ‘post’ welfare state; others simply label it as neo-liberalism (Mendes 2003). Yeatman (2000) describes the ideology behind these changes as ‘populist conservatism’: it ignores the hypocrisy in subsidising workers while ignoring the contributions of non-workers, and the value of non-wage contributions, and the democratic need for redistribution.

These movements towards neo-liberalism and neo-conservatism are seen in all liberal countries. Despite their objections to globalisation, Weiss (1998) and Swank (2002) both acknowledge that countries with a liberal regime have responded to global pressures with rollbacks of social protection. Similar or more extensive repeals of

welfare and introductions of means testing have been enacted in the United Kingdom (Millar 2002), Canada (Evans 2002) and, particularly, the United States (Goldberg 2002b). The times have come to be right for those who never liked welfare to call for its transformation, if not its abolition, and such conservative values are resurfacing in liberal countries.

It can be seen then that global complexity, in interaction with the conservative values of liberal countries, has had a negative impact on liberal welfare over the past few decades, in terms of rendering it increasingly punitive (Goldberg 2002a). As noted earlier, this has corresponded with a notable downturn in social capital (in the form of trust)—and by association, social rights—in liberal countries. This may be attributed to increasing inequality in these countries, but is also a likely consequence of resurgent liberal and conservative values concerning welfare for the undeserving (amongst neo-liberals) and the shirking of civic responsibility (amongst neo-conservatives). These values feed into the interaction between bonding and bridging social capital, as I will now discuss.

### **Self-reliance and victim-blaming ‘rightly understood’**

Before I address the effects of changes in welfare on social capital, it is important to look at the use that has been made of idea of social capital in the very process of transforming welfare. This brings me back to the issue of victim blaming, and the misuse of the concept as a substitute for welfare provision. I suggest that both the misuse and the critique of the concept are based on an improper understanding of the bonding and bridging distinction, which I can now make clear.

Both misuse and critique focus almost exclusively on bonding social capital. Those who misuse the concept of social capital as a welfare substitute are trying to promote localised community and family self-reliance, but fail to distinguish between localised groups and wider civic society—or between bonding and bridging social capital. I suggest that the failure to recognise that bridging social capital is different from bonding social capital, as it is driven by the norm of being ‘kind to strangers’ rather than by the rational imperative to trust only those you are familiar with, is indicative of the conservative disdain for ‘social’ as opposed to ‘family’ problems and solutions. Conservatives, more than others, orient their worlds around the servicing, protecting and advantaging of families above all else. Interaction beyond the family is a ‘luxury’ that rightfully accrues only to the philanthropic ‘rich’; there is no essential need to ‘prop up’ society and social rights with welfare—society is only an artificial extension of individual and family units anyway (as reflected in Thatcher’s famous statement that ‘there is no such thing as society’). Such an attitude favours parochial bonding and whittles away at the bridging sentiment.

Those who criticise social capital (such as Fattore et al. 2003) rightly point out the deficiencies in the stand-alone ‘civic’ version of social capital, and recommend

Bourdieu's politicised 'exclusive' social capital as appropriate. However, I suggest that they need to go further, and realise that Putnam's and Bourdieu's types of social capital exist side by side as bridging and bonding variants respectively; not all networks are exclusive, parochial and bonding-based. A broader civic network does exist, and does do useful things for society. Certainly, bonding groups can combine and conflict with each other—an attack by one group with a certain political ideology, such as the neo-conservatives, upon another, such as the disadvantaged (regardless of whether the latter group actually see themselves this way) can be seen as a prime example of this. But seeing only bonded groups in conflict is to reduce all of life to power plays and paranoia. The conservative misuse of a term is unacceptable and warrants opposition; the critical opposition that does not recognise the very positive effects of promoting a concept properly conceived (such as bridging social capital) is also unacceptable. I would argue that support for universal welfare should be synonymous with support for bridging social capital amongst proponents of social justice, in that both support social rights through encouraging tolerance. The argument of the critics is properly with those who promote localised bonding as a substitute for bridging and welfare—not with the concept as a whole.

### **The rise in exclusive bonding**

Conservative liberal policy encourages bonding through the deliberate promotion of local family and community units, itself achieved via the dichotomising force of residual welfare; it also undermines bridging and creates a 'space' or vacuum that bonding must fill. Conservatives assume that the volunteering and trust associated with bridging grows out of the familial structures and interactions of bonding, and that promoting bonding will induce volunteerism. In fact, the rational basis to bonding interaction suggests the reverse—that conservative policies pushing familial bonding will promote localised, rational responsibility towards those you know against strangers who may be potentially harmful.

Residual welfare erodes the norms of bridging through stigma (Esping-Andersen 1999; Rothstein 2003). If welfare reform takes place under the rhetoric of 'catching the cheats', it is unlikely that ex-recipients will be thankful and reciprocate generously to a broader public that has treated them as 'guilty until proven innocent'. The broader public, in turn, will be worried lest they join such a stigmatised underclass of the undeserving. The fear of unemployment, job insecurity, and the various global forces that contribute to Esping-Andersen's capitalist perils keep the middle classes on their toes. A viable threat to them and those closest to them—their family dependants—exists. They will support those closest to them (bonding capital) first, before they support anyone else. Social 'rights' are replaced with family 'duties', and widespread bridging and social interaction are the losers.

Thus while it has been widely suggested already that the pressure of global, complex society on welfare is likely to erode social rights, I am suggesting a new and radical means by (and scale at) which this occurs. I am suggesting that increasing global complexity, combined with resurgent conservative values hostile to welfare, is crowding out civil society in Australia and other liberal countries, replacing tolerant bridging with parochial bonding capital. This scenario captures the Anglo-Western social capital profile, where trust is declining (Inglehart 1999; Patulny 2005), and the liberal welfare regime—built on stigma—is increasingly pitting the deserving working against the undeserving poor and disadvantaged (Mendes 2003; Grieg 2003). It is, as Sennett (1998) says so well, a form of ‘cocooning’, or hiding behind the picket fence of the family home in the hope that a bigger, nastier world will eventually become a simpler less ‘complex’ place.

Other regimes have not undergone such extensive change, and do not exhibit the social capital declines visible in liberal countries. Corporatist regimes show low levels of trust and membership in formal voluntary associations levels (Patulny 2005), but social capital levels that are either stable or generally improving. Social democracies generally have high and improving social capital levels according to a range of measures (Patulny 2005). Universal welfare essentially reduces the risks of strangers being hostile, because if we know that basic needs are met, we also know that there is little likelihood of conflict, and far less need then to distrust; welfare becomes a right rather than a tool to politically split taxpayers from welfare recipients. This scenario fits the Scandinavian high-trust social capital profile (Rothstein 2003), and is typified by Esping-Andersen’s social democratic welfare regime.

## **Conclusion**

I have attempted to show not only that welfare and social rights are intimately connected—and under threat from global pressures and complexity—but also that co-operation and social capital form essential parts of their connection. Globalisation and complexity combined with resurgent conservative liberal values equals increasing distrust and lack of tolerance, and these things undermine support for universal forms of welfare. The lack of universal welfare in turn generates more generalised distrust, and a movement towards parochial bonding over generalised bridging. The swing from bridging to bonding social capital is connected to a loss of social rights. An alternative direction in policy would be to refocus on universal welfare, which would connect welfare and bridging social capital intimately and completely. The whole process of global influences, changing welfare, and the undermining of social rights and social capital needs to be examined further, to ensure that efforts to strengthen and build up communities and societies are effective, and that bonding capital is not simply put forward as a convenient substitute for paying for welfare.

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