Social Capital and Community-run Services

Richard Lang

Vienna University of Economics and Business, Vienna, Austria

The paper examines the social network composition in rural areas in Austria and its relation to community organisation for the delivery of social services.

Due to tight budget constraints and a backlog in infrastructure investments, similar to the political debate in other European countries, Austrian municipalities are encouraged to foster civic participation in the delivery of social services, such as eldercare, education or leisure infrastructure. It is against this background that both, practitioners and academics are rediscovering co-operatives as a suitable organisation form for community-run services. Based on its commitment to self-help principles and the relative openness of its governance structure, co-operatives might facilitate resource acquisition and exchange among residents. However, as for any other resource-scarce venture, in its early stages, a community co-operative primarily relies on the social capital of its members. Therefore, critical for developing community-run services is whether individuals who become initially involved can access and mobilise a wide range of resources embedded in their personal networks.

Thus, we aim to answer the following research question in our paper: “How can the social capital of residents in small, rural communities be described and what are the possible effects for the establishment of community co-operatives?”

In a first step, we apply a multi-dimensional model of social capital which serves as a framework for the subsequent empirical analysis of social networks in small Austrian municipalities. In a second step, employing qualitative data from focus groups with community leaders, we derive a set of hypotheses that are finally tested in a large-scale questionnaire survey. Using a position and a resource generator tool, we measure potential access to different domains of social resources and the strength of ties in social networks of rural communities in Austria.

The results of our study suggest that community co-operatives have to build on the existing bridging social capital found in the personal networks of residents. Our social capital measures indicate that a broad access to different domains of social resources is mainly provided through weak-tie networks rather than friends or relatives of respondents. Thus, the engagement of residents who can actually mobilise fellow citizens from backgrounds different from their own becomes crucial for community-based co-operatives.

While such organisations rely on the social capital of their members to acquire valuable external resources, additionally our results suggest that, in return, civic engagement for the community also leads to an enhanced and also more diversified social capital. Furthermore, our results highlight the importance of considering the community context in order to explain social network composition and potential access to social resources.

Finally, our data suggest that a co-operative governance structure supports interaction between citizens from different social backgrounds and thus also contributes to a stronger social cohesion of the neighbourhood, as co-operatives have to mobilise social capital that crosses social boundaries within a small municipality.

Our analysis provides valuable insights for policy makers concerned with fostering community-based organisations e.g. co-operatives. While existing literature mainly focuses on the contribution of civic engagement in building social capital of communities, the relationship between individual social networks and community organisations remains a neglected research issue. Our paper tries to show the dependency of community based organisations on individual networks of residents.

Selected references of the paper


