



Mains Practice Question

Q. “Building of social capital plays a crucial role in good governance, economic development and social harmony of the nation”. Discuss (250 Words)

04 Jun, 2020 GS Paper 4 Theoretical Questions

Reference: [Second Administrative Reforms Commission](#) (Social Capital)

Approach

- Briefly define the term social capital in the introduction.
- In body discuss the types of social capital along with its significance.
- Discuss how social capital can play a role in the governance of the country.
- Conclude the answer by stating the need for the inclusion of the deprived and vulnerable sections of society under social capital.

Introduction

- Social capital is a **sense of belonging** and the concrete experience of **social networking** that can bring great benefits to people.
- It consists of trust, mutual understanding, shared values and behaviour that bind together the members of a community and make cooperative action possible. Such interaction enables people to build communities, to commit themselves to each other, and to knit the social fabric.

Body

Varieties of social capital

- Social capital is divided into three main categories:
 - **Bonds:** Links to people based on a sense of common identity (“people like us”) such as family, close friends and people who share our culture or ethnicity.
 - **Bridges:** Links that stretch beyond a shared sense of identity, for example to distant friends, colleagues and associates.
 - **Linkages:** Links to people or groups further up or lower down the social ladder.
- **Social Capital Institutions**
 - The key institutions that can be said to contribute to the development of social capital range from grass roots level community based initiatives like Residents Welfare Associations, Self-Help Groups, Cooperatives, Charitable Societies, Trusts as well as Self-Regulating Professional Bodies such as the Medical Council of India, Bar Council etc.
- **Corporate sector:** The alignment of business operations with social values, which is the essence of **Corporate Social Responsibility (CSR)**, is at the heart of its ability to contribute to social development alongside economic development.

Significance

- Social capital organisations are supposed to play four crucial roles in society
 - **Service role:** It encourages people to cope with a public problem at the primary level. People tend to let non-profit organisations lead the way in responding to critical public needs.
 - **Value guardian role:** The role of the non-profit sector is to function as a “value guardian” in society. The non-profit bodies foster pluralism, diversity and freedom. These values go much beyond purposes such as improving health or enhancing school enrolment.
 - **Advocacy role:** Non-profit organisations also play a vital role in mobilizing public attention to societal problems and needs. They are the principal vehicle through which communities can give voice to their concerns.
 - **Community building role:** Finally, non-profit organisations play a vital role in creating and sustaining social cohesiveness through bonds of trust and reciprocity that seem to be pivotal for a democratic society and a market economy to function effectively.

Public Servant and Social Capital

- Public servants are closely related to social capital. They are far more active in civic affairs than are other citizens, and they appear to be catalysts for the building of social capital in society at large.
- The continuous engagement of public servants with these organisations can improve government performance in various ways:
 - **Ensuring accountability:** The accountability of the government is the most important means by which social capital influences performance.
 - Trust and civic minded attitudes can improve governmental performance by affecting the level and character of political participation, reducing “rent seeking” and enhancing public-interested behaviour.
 - **Convergence:** Social capital can bring convergence among different players on important issues.
 - Political leaders in the developed regions are more willing to compromise with the views of opponents. Where trust and norms of reciprocity are stronger, opposing sides are more likely to sit together and resolve their disputes.
 - **Policymaking:** In response to the problems and challenges of the community and the State, these institutions lead to greater innovation and flexibility in policymaking and provide solutions.
 - **Public service delivery:** The services can be efficiently administered, if social network groups are in operation and they mobilise people around common issues.
 - **Implementations of programmes:** The collective participation of social capital institutions leads to better implementation of development programmes. Eg Cooperatives and Self Help groups.

Conclusion

- The growth of social capital leads to evolution of a healthy civil society manifesting as a distinct entity in the space between government and the society.
- Being a welfare state, it is our responsibility to eradicate poverty, bring social equality and deliver goods and services to the deprived and vulnerable.
 - The social capital institutions like Self-Help Groups of Andhra Pradesh, Kudumbashree of Kerala and Amul cooperatives in Gujarat have played a crucial role in states in the development of these regions.

