

Social capital offers advantages to individuals

For example, two individuals who went to Harvard Business School tend to feel connected with each other, because they met and interacted on campus, created friendships, and also have an institution in common.

Two adults who studied at the same university are more likely to connect more closely because they share social capital, which can translate into advantages for either one or both of them.

Social capital may take a number of different forms, from colleagues who work for the same employer, residents of the same neighborhood, and groups of friends who are part of a network.

People who share social capital tend to rely on and trust each other more when they have a need.

The OECD (Organization for Economic Co-operation and Development) says the following about social capital:

“We can think of social capital as the links, shared values and understandings in society that enable individuals and groups to trust each other and so work together.”

According to a number of studies, higher levels of social capital are linked to greater educational achievement, better health, improved employment outcomes, and lower crime rates.

In other words, people with extensive networks are more likely to be “housed, healthy, hired and happy.” These are all areas of concern to both lawmakers and community members alike.

The Institute for Social Research at the University of Michigan says regarding social capital:

“Social capital, however, is more than simply having social connections and networks. Social capital is exhibited in individuals who have a well-developed sense of mutual trust and “give-and-take” or “reciprocity” in their social networks. Moreover, it is exhibited in individuals who are actively engaged in civic and political life. This trust, reciprocity, and civic and political engagement then enriches the communities where these individuals reside.”

Examples of social capital in action

- When your neighbors informally keep an eye on your home while you are away on vacation.
 - When members of a tightly knit community of Hassidic Jews buy and sell diamonds without having to check each gem for purity.
 - E-mail exchanges among members of a diabetes support group.
 - When all the firefighters in a city contribute funds towards the widow and children of one of their colleagues who recently died while doing his duty.
 - The way Freemasons allegedly help each other advance in their businesses and careers.
- The Community Social Clubs are our means of building social capital in our work’s beneficiaries