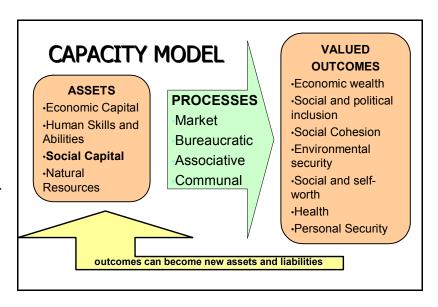


Understanding and Exploring Social Capital Research Results from the New Rural Economy Project June 8, 2004

The New Rural Economy (NRE) project is a nine-year research and education project examining revitalization opportunities emerging in rural Canada. Since its beginning in 1998, the NRE project has established a network of more than 32 rural communities, 10 partners, 15 researchers, and 13 universities in all parts of Canada. Through its parent organization, *The Canadian Rural Revitalization Foundation*, the NRE facilitates annual conferences and conferences to bring together rural people, policy-makers, and researchers from over a dozen countries.

A central focus of our work has been on social capital and the contribution it makes to social and economic revitalization. Our work has advanced both the theoretical and empirical aspects of the topic – in a manner that makes it relevant, not only to the rural context, but all aspects of Canadian society. Some of the research contributions we are making to the understanding of social capital are outlined below.



- 1. We have distinguished four types of social relations in which social capital is embedded: market, bureaucratic, associative, and communal. Each of them conditions the emergence and form of social capital in particular, yet interrelated ways.
- 2. We have identified an important distinction between the AVAILABILITY of social capital (reflected primarily in social institutions), and the USE of social capital (reflected primarily in the networks people use).
- 3. We have developed and tested indicators for both the availability and use of social capital, within all 4 types of social relations.
- 4. We have examined the distribution and relationships between the 4 types of social capital with respect both to its availability and use in a rural context.

- 5. We have empirical-based insights arising from our work such as the following:
 - Rural sites vary considerably both with respect to the availability and use of the 4 types of social capital.
 - The 4 types of social capital differentially reinforce one another; they seldom substitute for one another.
 - Availability and use of social capital are weakly related in our field sites.
 - The 4 types of social capital vary in the extent to which they contribute to various outcomes such as incomes, employment, government transfers, and social cohesion.
 - Social capital is related to these types of outcomes even when human capital is controlled.
 - Contextual (exogenous) factors to the communities condition the impacts of the various types of social capital on the various outcomes.
 - Census-based indicators are strongly related to our measures of the AVAILABILITY of social capital in rural sites, but weakly related to our measures for the USE of social capital by households.

Our research is particularly relevant to rural communities since they tend to have high levels of associative and communal social capital. We have been examining how strength in these types of social capital can be used as a basis for building market and bureaucratic social capital (since these latter types have become so critical in the new economy).

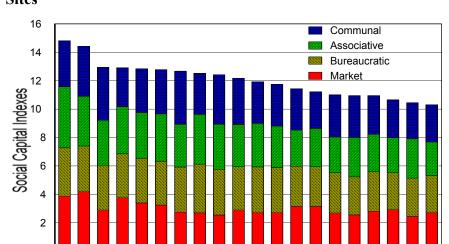


Figure 3: Levels of Use of Social Capital Types in NRE Field Sites

Details of the project and the research on social capital can be found on at http://nre.concordia.ca and in:

Reimer, Bill, "A Sample Frame for Rural Canada: Design and Evaluation", *Regional Studies*, 36:8, 845-859, 2002.

For further information, contact Bill Reimer (<u>reimer@vax2.concordia.ca)</u>.

The NRE Project is an initiative of the *Canadian Rural Revitalization Foundation* (http://www.crrf.ca)