

## SOCIAL CAPITAL

Robert Putnam, in *Bowling Alone*, stated clearly that there are three conditions necessary for the growth of social capital - trust, reciprocity and civic engagement.

Putting to use their social capital is how communities have always fulfilled their aspirations and protected themselves. When it is in abundant supply it produces 'public goods' from which everyone benefits - such as safe neighbourhoods, care for the vulnerable, well adjusted children, public health, social justice and long term general well being.

Social capital is manufactured and preserved when people link up with others and share their knowledge, skills, experiences and contacts for the common good across loose social networks in the neighbourhoods where they live. Everyone benefits from social capital, whether or not they helped to create it.

The personalisation of social care services and the prevention and community empowerment agendas have brought with them a renewed interest in social capital, but as yet little understanding of how to grow it.

Today, social capital is in fact in decline because people place a higher value on individualism, privacy and consumerism than they have ever done before. Two other reasons are increased social mobility, people moving from place to place and changing gender roles, women working away from the neighbourhood where they live.

*However, the one most critical and rarely mentioned factor in the decline of social capital is that recent changes to our social environment have combined to make the 'transaction costs' of producing social capital too high for it to be worth the effort of investing in it's growth.*

In the past, people had reputations as good neighbours, active citizens and supporters of a civic life. They shared stories about the contributions they and others made to local social capital. There was a 'collective memory' in communities and people knew what skills others had and they knew who was likely to do a favour or respond positively when called upon to help. People could easily identify the people and resources the needed locally and assess which ones would be most useful. This information was gathered and held by informal local networks and it was exchanged freely. People trusted each other and exchanged favours in the knowledge that if they did others would be more likely to be there for them when they needed it.

As our social networks have become reduced in size so the flow of information about social capital has been scaled down - and the 'transaction costs' involved in creating it become just too high. It takes a long time to search the neighbourhood for the right people and to find out what they are able to do and whether or not they would be happy to do it. It is harder to know what

motivates people and whether or not they might take advantage of the situation. What sanctions do you now have if people mess up, don't show or fail to reciprocate when they are expected to? It becomes too difficult to bother and all too easy to pick up the yellow pages.

Thankfully, there is a social innovation that greatly reduces these transaction costs and is making social capital a viable option for people once again. Timebanking is unique in that it builds trust and reciprocity and the social networks that have in the past made it possible for people to reflect together on issues of common concern and then take collective action to improve things for each other and for the wider community.

The timebanking currency values the contributions people make to the local social capital and most importantly for today's culture - it measures it, hour for hour.

- An hour of involvement is rewarded with one 'time credit', a community loyalty point.
- Time credits are deposited at the time bank and can then be spent when needed on services from other local people.
- A software programme holds a local information system on who is available, when and with what skills.
- The time bank provides a safe, broad based framework for connecting people and acts as a letter of introduction.
- Once in circulation the 'time based local currency' takes on a meaning of its own and is every bit as real as the cash in people's pockets.

The Time Online computer programme acts both as a collective memory and an information system on local people, resources and skills. It records who is available, when and where. People's likes and dislikes are stored, so that when someone asks for a job to be done, the computer can immediately provide a list of members who were able, willing and available at the desired time in the right place.

The time bank co-ordinators, timebrokers, are trusted intermediaries and are sensitive to how people have got on with each other in the past, what assignments went well and which are not worth repeating. They spend their time building relationships and ensuring there is a rich supply of stories to retell to attract newcomers and maintain a mutual sense of belonging.

Everyone in the system has equal access to all the skills and support on offer and everyone can feel safer knowing there is an enormous reserve of social

capital to draw on. There is no haggling over price and therefore no scope for exploitation. A watchful eye can be kept over people's time bank accounts to ensure they are maintaining a fair balance between giving and receiving. Together all these elements supply the ingredients for social capital to flourish.

A time bank makes it possible for people to find the time to:

- feel committed to the place where they live
- share skills and look out for neighbours
- meet others with a range of experience and knowledge
- help each other to get well and stay healthy
- make life safer and more secure for everyone
- deal with emergencies and to get extra help
- have happier lives and rewarding relationships
- be more hospitable and eradicate mistrust and fear of strangers
- focus on the positive aspects of living in a strong community
- feel good about themselves and be recognised as a kind person
- ask for help when they need it and know they will have the chance to pay their community back

Over time, we have found that people in time banks begin to identify issues of mutual concern and to use the reservoir of social capital they have at their disposal to protect the social environment for themselves and for future generations. Only then, when their confidence has grown and they have learned about their rights and responsibilities as citizens, are they in a position to co-produce with local authorities long term solutions to social problems.

**Martin Simon**  
**October 2009**

**[www.timebanking.org](http://www.timebanking.org)**