Social Capital and Social Identity: Trust and Conflict[1]

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Abstract: This chapter applies social identity analysis to social capital theory in order to explain trust and conflict in social networks. It reformulates Putnam's bridging-bonding social capital distinction in terms of the relational social identities-categorical social identities distinction, and represents individuals as socially embedded by explaining them in social identity terms. The goal of the argument is to show how an individual-social group dynamic which social identity theory examines interacts with a conflict-trust dynamic which social capital theory examines. Different types of individual motivation are linked to different social capital-social identity forms. Social group conflict is explained in connection with social psychology's stigma identity-threat model. Individual response to identity conflict is explained in terms of cognitive dissonance reduction.

Keywords: social capital, social networks, social identity, Putnam, conflict analysis

JEL codes: A12, A14, D74, Z13

1. Introduction: A social identity approach to social capital

The concept of social capital has been used in a variety of ways and has been much debated, but perhaps the best definition is still one of the earliest, namely, Pierre Bourdieu's: "the aggregate of the actual or potential resources which are linked to possession of a durable network of more or less institutionalized relationships of mutual acquaintance or recognition" (Bourdieu, 1986, p. 248). Subsequent research on social capital has emphasized trust and the norms of cooperation (Hooghe

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and Stolle, 2003). In this chapter, social capital is thus taken to be the economic and non-economic benefits produced by cooperation and trust in social networks.

The concept of capital, of course, is fundamental to economics. But cooperation and trust are at best peripheral concerns in standard economics, which is built around explaining economic life in terms of competition and individual interest. The social network idea also has little place in standard economics, which explains social interaction almost entirely in terms of competitive equilibrium market processes. Thus the concept of social capital refers to a social domain that has clear economic significance (e.g., Bebbington *et al.*, 2006), which is not easily explained by standard economic theory. This tells us that the concept of social capital is in need of an alternative form of economic explanation that involves re-explaining individual behavior and social interaction in ways that are consistent with the evidence regarding trust and cooperation in social networks.

This task is partially undertaken in this chapter by representing individuals as socially embedded and by explaining their social embeddedness using social identity analysis.[2] The evidence regarding trust and cooperation in social networks relevant to the discussion here is the extensive body of research demonstrating that trust and cooperative relationships in social networks operate through two main types of channels distinguished by Robert Putnam (2000): bridging and bonding social capital. This chapter argues that the different forms of trust and cooperation involved in these two types of network relationships correspond to two types of social identity relationships distinguished in social psychology's social identity theory: relational social identities and categorical social identities. The chapter then explains how individual behavior is socially embedded in terms of the different ways individuals interact in networks of social relationships in connection with these two types of social identity.

Social identity theory is based on the idea that membership in social groups is an important determinant of individual behavior. Social groups are collections of individuals who coordinate their action in some way. But a social group world is complex in two ways. On the one hand, individuals vary in the degree to which they participate in social groups and also regularly change their group memberships. On the other hand, social groups vary in size and structure, and differ in the ways in which they establish trust and cooperation among their members. This implies that the social group world is a dynamic one, and that, in contrast to standard economic analysis, which simplifies social interaction by restricting it to market competition between atomistic individuals framed in terms of equilibrium states, an analysis of social interaction in terms of social groups and individuals is better developed in an evolutionary manner.[3]

Social network analysis (e.g., Easley and Kleinberg, 2013) provides a structural framework for this, but to capture change and evolution, it also needs to be supplemented by some sort of account of what motivates individual behavior in a social group world. This chapter employs a particular form of conflict analysis appropriate to social identity theory to achieve this. In social identity theory, groups

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[2] See Christoforou (2013) for a discussion of social capital in terms of social embeddedness.
[3] The chapter adopts a general view of cultural evolutionary systems as involving non-reversible pathways of change operating through multiple types of selection processes.

can come into conflict for multiple reasons, and conflict also results from the ways in which people identify with one another. This chapter focuses on how these two forms of conflict are related, and specifically argues that social conflicts generate personal conflicts for individuals that motivate them to act in ways that they believe will reduce those conflicts. Individual action in turn then impacts individual membership in social groups, so that overall there exists a complex set of feedback relationships continually operating between individuals and groups (Kirman, 2011, p. 40).

This analysis thus contributes another dimension to the understanding of trust and cooperation as the foundations of social capital. As forms of social coordination, trust and cooperation are generally seen to be non-conflictual. But conflicts between social groups show that trust and cooperation can be associated with conflict as well, as for example when particularized trust within ethnic groups operates in conjunction with conflict between different ethnic groups. Yet the opposite can also be the case, as when trust and cooperation in particular social group settings is successfully extended across social groups to produce generalized society-wide trust. Thus the individual-social group dynamic which social identity theory examines interacts with a conflict-trust dynamic that social capital theory examines.[4]

This chapter develops this framework in several steps. Section 2 begins by setting out the correspondence between bridging and bonding social capital on the one hand and the two types of social identity relationships distinguished in social psychology's social identity theory on the other, in order to link up the social network meaning of social capital with two different ways in which individuals are seen to identify with social groups. The section then offers a broad classification of different types of 'rationality' motivations that people have according to these different social identity relationships.

Section 3 then discusses the social capital relationship between bridging and bonding social capital, first setting out Putnam's well-known view. It then re-formulates this relationship in terms of relational and categorical social identities in order to incorporate an analysis of how social conflict can give rise to personal conflict. The basic idea is that conflicts between large, impersonal social groups translate into small-scale personal conflicts in the form of face-to-face encounters in role relational settings on account of the way in which relational and categorical social identities are connected.

Section 4 addresses how social group conflict and personal conflict interact in such a ways as to set up an evolutionary individual-social structure dynamic. On a psychological level, individuals experience personal conflicts as cognitively dissonant, and then respond by either further embracing or alternatively distancing themselves from those social groups of which they are members that are in conflict with other social groups. This behavior impacts social group memberships, which then alters

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[4] This chapter accordingly offers a response to Fine's criticism of social capital theory: "if conflict undermines the notion of social capital, then why not take conflict and its theoretical underpinnings as a starting point" (2001, p. 123). The response is that trust and conflict need to be jointly explained rather than one or the other be the exclusive focus of analysis.

how people identify with them, which generates a continually on-going individual-social group dynamic of change.

Section 5 links this individual-social group dynamic of change to a trust-conflict dynamic of change. It argues that the identity approach to social capital when combined with evolutionary thinking casts new light on the relative importance of bonding and bridging social capital in the overall growth of aggregate social capital. The argument in particular is that the growth of bridging social capital has particular importance in being associated with increasing social and occupational role differentiation in modern complex societies.

Section 6 makes two brief concluding remarks about social policy regarding promoting trust and cooperation, one about how societies should address social conflict and one caveat regarding the scope of the social identity analysis employed in the chapter.

2. Bridging and bonding social capital: Relational and categorical social identities

For Putnam, bridging social capital exists between heterogeneous groups of people and bonding social capital exists between homogeneous groups of people. Interpreting this in terms of social networks, in heterogeneous groups the basis for trust and cooperation lies in the way in which people's different characteristics fit together in a set of networked relationships in some functional way. Examples are sports teams, orchestras, and many workplaces. Though members can be similar in many respects, how their differences are networked is what allows them to cooperate. If we use the division of labor idea to help explain this, people have different roles in the group, and it is the connections between these roles that enable them to trust one another and cooperate. Interpreting bonding social capital in social network terms, in homogeneous groups the basis for trust and cooperation exists in some single characteristic or set of characteristics that links together people in different network locations perhaps quite distant from one another. Examples are ethnic groups, sports loyalties, and religious affiliations. In this case, trust and cooperation emerge when people's differences are submerged. People trust one another and cooperate because they can multiply their individual powers by acting on a single motive.

Bridging and bonding social capital are thus quite different forms of social capital. It seems reasonable to suppose, then, that if people trust others and cooperate in these two different ways, their particular motivations for doing so should be different as well. That is, trust and cooperation are quite different phenomena according to whether others are like or different from oneself, and social networks are accordingly held together on different behavioral grounds. How, then, do people's motivations differ in these two types of circumstances? In order to answer this question, it is helpful to first dismiss a more fundamental question that standard economics asks: *why should people be thought to trust one another and cooperate at all?* On the standard view in economics, people would only be able to trust one another and cooperate were they able to set aside their individual interests. But since people are utility maximizing, instrumentally rational beings always motivated by individual payoffs, they really should not be to be able to set aside their individual interests. Indeed on the standard view in economics,

trust and cooperation are an anomaly, at best an externality or accidental spillover from the market process, and therefore shouldn't be expected to exist at all. And, should they happen to emerge for reasons that theory cannot explain, this would be seen as a transitory or disequilibrium state of affairs.

But there is a straightforward answer to economics' question, now supported by a number of new research strategies in economics. People can be shown to trust others and cooperate if they are not defined exclusively in terms of their own individual interests. Among the new research strategies involved in explaining how people can be motivated by something other than individual payoffs, then, are explanations in terms of social preferences, commitment, collective intentions, and social identity. This paper focuses on the latter on the grounds that social identity theory is particularly helpful in explaining the motivational difference between bridging and bonding social capital, both because its distinction between relational and categorical social identities parallels the distinction between bridging and bonding social capital, and because these two forms of social identity depend upon different explanations of motivation and behavior.[5]

Social identity theory, as developed in social psychology, explains how a person has a social group identity in terms of the 'identification with' idea. When a person identifies with others, their individual identity is somehow re-framed in terms of others' identities. The main conceptualization of this among social identity theorists is associated with John Turner's idea of 'self-categorization' (Turner and Oakes, 1986; Turner, 1999; Haslam, 2001). In effect, when people 'self-categorize' themselves in social group terms, they are motivated by social group goals rather than individual goals, make the group's characteristics their own personal characteristics, and thus incorporate social group identities in their personal identities. But given that people 'identify with' others in at least two ways in that they have both categorical and relational social identities, we need to distinguish two ways in which they 'self-categorize' themselves. Relational social identities are said to "derive from interpersonal relationships and interdependence with specific others," while categorical social identities are said to "derive from membership in larger, more impersonal collectives or social categories" (Brewer and Gardner, 1996). That is, relational social identities are established where people interact in some functional way with particular individuals, such as in a division of labor that assigns them different interconnected roles, while categorical social identities are established where people see themselves being linked to many people, whether they know them or not, because they see themselves sharing some common cause or characteristic, despite all their other differences.

Relational social identities, then, can be said to exist in social networks between heterogeneous groups of people, and thus provide a basis for bridging social capital. Putnam's emphasis on heterogeneity can be interpreted as applying to specific social interactions in which people identify with one another based on their having different interconnected roles. In contrast, categorical social identities exist in social networks between homogenous groups of people, and thus provide a basis for bonding social

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[5] Jiang and Carroll (2009) use social identity theory to explain social capital in social network terms. They do not distinguish between relational and categorical social identities, but make a related distinction between interpersonal relationships (not formulated as an identity relation) and shared-identity bonds.

capital. Putnam's emphasis on homogeneity can be interpreted as applying to social interactions in which people identify with others on account of their perceiving they share some commonality.

Explaining bridging social capital in terms of relational social identities and bonding social capital in terms of categorical social identities arguably gives us a deeper understanding of the basis for people's behavior and motivation in each type of social network. Why are people who are different able to trust one another and cooperate? In 'self-categorizing' themselves in role terms, they see themselves according to how their roles connect rather than in terms of individual interest. Why are people who only share some single characteristic able to trust one another and cooperate? They 'self-categorize' themselves so as to see themselves sharing a single cause, and cease to think in terms of individual interest.[6]

Thus from a social identity perspective there are two basic forms of motivation usually associated with bridging and bonding social capital. But note that from the perspective of rationality theory, it is also possible to distinguish in each case between when people are motivated in an instrumentally rational way and when people are motivated in a non-instrumentally rational way. Instrumental rationality is generally explained as means-ends rationality and is associated with attention to the consequences of action. This is the more familiar form of rationality and is also usually the only form of rationality considered in standard economics. Non-instrumental rationality is generally explained in terms of rules and values (both ethical and practical) which are taken to be intrinsically meaningful and thus stand on their own apart from the issue of what consequences they may have. Non-instrumental rationality has been particularly important in the history of ethics, for example in the philosophy of Immanuel Kant, and has begun to be explored in some new research strategies in economics.[7]

Consider, then, bridging social capital and relational social identities. People can be motivated in an instrumentally rational way if they believe that fulfilling their roles improves the efficiency of the group and thereby increases whatever the group's output is. But people can also be motivated in a non-instrumentally rational way if they believe that they ought to do what their roles prescribe because they believe that part of the meaning of having a role is that one has a responsibility to do what it entails. Thus, there are two rationality interpretations possible when we explain bridging social capital in terms of relational social identities.

Consider now bonding social capital and categorical social identities. People can be motivated in an instrumentally rational if they see themselves acting collectively for a common cause which they hope

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[6] One way to further develop the concept of 'self-categorization' for social identity analysis is in terms of collective intentionality theory (cf. Gilbert, 1989; Tuomela, 1995; Searle, 2001). Collective or shared intentions are intentions expressed in first person plural (rather than first person singular) terms; 'we' language (rather than 'I' language). People commonly use collective intentions when interacting with others in social groups in order to express how and when they share common goals.

[7] In Kantian ethics non-instrumental rationality is associated with deontological reasoning (e.g., the categorical imperative), whereas utilitarian ethics employs instrumental reasoning, and is framed in terms of teleological reasoning. Behavioral economics investigates such phenomena as reciprocity and fairness, which can be explained in non-instrumentally rational terms, but still tends to do so in instrumentally rational terms.

to realize. But they can also behave in a non-instrumentally rational way when they take certain group values to be given and intrinsically meaningful strictly as part of group membership whether or not they produce any particular set of outcomes.

Figure 1 below links Putnam's two forms of social capital and the two corresponding types of social identity with behavior that is either instrumentally rational or non-instrumentally rational. Putnam's terms are in bold, the social identity analogue terms are in italics, and the different types of rationality behavior are in standard text. The characterization of behaviors and motivation in the bottom two rows is intended to be general and suggestive. Nonetheless, the third row reflects standard instrumental rationality explanations in economics and sociology respectively, whereas the fourth row is representative of a variety of philosophy arguments about the nature of non-instrumentally rational behavior.

It also should be noted that people can have multiple reasons for what they do. For example, focusing on bridging social capital behavior alone, a person might fulfill a role both to be efficient and yet also out of some sense of obligation. Focusing on bonding social capital, a person might be engaged in a shared project but also believe they share certain values with others. The purpose of this framework, then, is to allow for a range of kinds of motivation in connection with each form of social capital in order to be in a position to go on to explain the different ways in which social conflict can affect trust and cooperation both within and across social groups.

Figure 1

Social capital, social identity, and motivation

Kinds of groups	Heterogeneous	Homogeneous
Kinds of social capital	**Bridging**	**Bonding**
Types of social identity	*Relational*	*Categorical*
Instrumental rationality	Efficiency	Collective action
Non-instrumental rationality	Rules	Values

3. The relationship between the identity versions of bridging and bonding social capital

Before turning to the analysis of how social conflict can affect trust and cooperation something needs to be said about the relationship between bridging and bonding social capital. Bonding social capital is often associated with particularized trust in social groups, while bridging social capital is often associated with generalized trust across social groups. One reason, then, that Putnam regards bridging social capital as important to a society's overall social capital development is that it prevents society from becoming a collection of non-communicating social groups with little trust for one another. On this view, bridging social capital links islands of bonding social capital, and functions as a kind of connective tissue for society.[8]

Social identity theory takes a parallel but slightly different view of relational social identities as an analogue to bridging social capital. In role settings, people typically come into contact with a relatively small number of people who are different from themselves. So relational social identities bring together heterogeneous groups of people, and have a similar connective tissue nature. However, social identity theory takes a quite different view of categorical social identities as the analogue to bonding social capital. Categorical social identities (such as ethnicity or nationality) hold between people who share some single characteristic with a large number of other people. Because these groups are commonly large in number, most people will never have contact with most of those who share such an identity. So our categorical social identities do not refer to small islands of non-communicating groups, as in Putnam's understanding of bonding social capital, but rather to large, impersonal affiliations. Relational social identities, then, generally involve personal contact or at least some proximity to others with whom one identifies on account of the interconnectedness of roles, whereas categorical social identities are more impersonal in that one does not know most of those with whom one identifies.

Putnam's view of both types of social capital is largely developed in connection with relatively small groups of people. Thus it is understandable that bonding social capital applies to small close-knit homogeneous groups of people, and involves a high degree of personal contact. But social identity theory interprets homogeneity in terms of likeness, not in terms of personal contact and group size. Relational social identities only happen to involve personal contact because of the interconnectedness of social roles. So in contrast to Putnam, personal contact exists between people who are different from one another rather than like one another. This chapter, then, adopts the social identity approach to these two types of social identity/social capital, because it will allow us to provide an explanation of their relationship which makes conflict central to social capital analysis.

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[8] This view is in line with Granovetter's earlier 'strength of weak ties' argument (Granovetter, 1973). In social capital terms, bridging social capital provides 'weak' ties by comparison with bonding social capital's 'strong' ties, but 'weak ties' are important for social cohesion. The 'strength of weak ties' thesis was originally formulated in probabilistic terms by Rapoport (1957)

Conflict plays an incidental role in Putnam's theory, but for two reasons it is assumed here that conflict needs to be incorporated into social capital theory in a systematic way. First, conflict is clearly an important (if often neglected) aspect of social life, and should accordingly have a place in the theory of social capital, especially with its focus on trust and cooperation. Second, incorporating conflict in a social network approach to social capital adds a principle of motion to what risks being an otherwise largely a static structuralist type of account. Indeed, structuralist accounts of networks in social network theory tend to become equilibrium accounts in order to explain the cohesiveness of structure. But in a complex world, social networks continually undergo change, and so social interaction is better explained in evolutionary terms. Explaining the laws of motion in social networks in terms of conflict is a way of accomplishing this. Bourdieu's 'habitus' idea, which is a concept of embodiment or social embeddedness, expresses this combination of structure and action precisely by way of conflict.

> I developed the concept of "habitus" to incorporate the objective structures of society and the subjective role of agents within it. The habitus is a set of dispositions, reflexes and forms of behavior people acquire through acting in society. It reflects the different positions people have in society, for example, whether they are brought up in a middle-class environment or in a working-class suburb. It is part of how society produces itself. But there is also change. Conflict is built into society. People can find that their expectations and ways of living are suddenly out of step with the new social position they find themselves in.... Then the question of social agency and political intervention becomes very important (Bourdieu 2000: 19).

The analysis of conflict that follows builds off Bourdieu's point that conflict takes on meaning at the personal level when people discover that they are "suddenly out of step with the new social position they find themselves in."

The basic idea to be argued is that broad social conflicts between large, impersonal social groups become personal conflicts in face-to-face encounters in role relational settings, because of the way that relational and categorical social identities are related. Note that while relational social identities hold between people who are different, the roles themselves are shared by many people who occupy like or similar role settings. Thus roles link heterogeneous groups of people, but each role also refers to a homogeneous group of people, and consequently represents a categorical social identity. Consequently, personal contact relational social identities combine and link impersonal categorical social identities, and thus function as the site at which social conflict between groups translates into personal conflicts between particular people.[9] For example, in the simple relational social identity 'employer/employee' both 'employer' and 'employee' are categorical social identities, so social conflict between 'employers' and 'employees' in society generates personal conflict in society's many 'employer/employee' locations.

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[9] This thus applies Bourdieu's concept of the habitus to social identity analysis. Habitus is the internalization, or embodiment, of objective social structures that are thus subjectively experienced. Moreover, habitus is not only shaped by objective structures but also shapes these structures through social conflict and change (cf. Bourdieu, 1992, ch. 9).

Consider again, then, the behavioral analysis offered in Figure 1. When a social group an individual belongs to comes into conflict with another social group, the individual's behavioral response (in instrumentally rational and/or non-instrumentally rational terms) at the categorical social identity level interacts with their personal contact, role-based behavioral response (again in instrumentally rational and/or non-instrumentally rational terms) at the relational social identity level. An employee of a firm categorically identifies with employees as a class, and can be motivated to act either (in an instrumentally rational way) for collective action reasons or (in a non-instrumentally rational way) for the reason that one has the value one is loyal to one's class. Yet this same individual can be motivated to act either (in an instrumentally rational way) according to efficiency goals or (in a non-instrumentally rational way) according to rules in the 'employer/employee' relational identity setting as well. That is, both bottom rows in Figure 1 are potentially in play. Not only are social conflict and personal conflict thus interconnected through the link between the two kinds of social identity, but because there are different ways in which people can rationally address them, mapping out what actually happens in any particular circumstance is motivationally complex.

The next section further explains this interaction of social and personal conflict by moving from the sociological analysis of identity to an account of how people psychologically seek to manage personal conflict. It then goes on to describe a dynamic of change that links individual behavior and social group membership.

4. The individual-social group dynamic of change

Social identity theory derives a general basis for understanding how social conflict translates into personal conflict from its 'identification with' idea. When people identify with social groups (their categorical social identities), they cease to think in terms of their individual interests, and their behavior becomes representative of the group's interest. Considerable empirical evidence has thus been accumulated showing that in social groups people's behavior is pro-own-group and anti-other-group according to what people perceive the group's interest to be vis-à-vis other groups (cf. Tajfel *et al.*, 1971). This gives us another way of seeing why incorporating conflict in social capital theory is important, since pro-own-group trust and cooperation within a social group go hand-in-hand with anti-other-group rejection of trust and cooperation between social groups.

However, this basic behavioral analysis becomes more complicated when we incorporate the distinction between people's relational and categorical social identities, since as seen above people can have different motivations regarding how to respond in each case, and can also act in both instrumentally rational and non-instrumentally rational ways.[10] Thus personal conflict is not just a conflict between individuals, but is also a conflict within the person who needs to manage many

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[10] To keep things clear as possible, I put aside an important further complication, namely, that people can belong to multiple social groups, and thus have multiple categorical social identities, and have multiple social roles, and thus have multiple relational social identities. This state of affairs is characterized as intersectionality (cf. Crenshaw, 1989; Meyers, 2000; Davis, 2013).

conflicting interests at once, with the simple pro-own-group and anti-other-group behavior being only one dimension of this. We might thus say that interpersonal conflict creates a whole collection of internal conflicts for individuals.

This thus raises the question: in broad terms, how do people manage internal personal conflict produced by interpersonal conflict? The approach adopted here as a very basic analysis is to say that people act in such a way as to reduce cognitive dissonance (Festinger, 1957). Cognitive dissonance theory hypothesizes that when people experience what they perceive as dissonant cognitions, they are motivated to reduce them by acting in ways that alter those cognitions. That is, they simplify their situations and eliminate internal conflict by setting aside or alternatively re-emphasizing some subset of their beliefs, values or perceptions. In connection with social identity theory, then, in the simplest case they could thus respond by either further embracing or distancing themselves from any relational or categorical social identities they experience as producing personal conflict (though this could be quite complicated, since a person could respond in the same or different ways with respect to their relational and categorical social identities).

Acting in the same way might seem more intuitive, but people might trade-off further embracing one or the other of their two kinds of social identities while simultaneously distancing themselves from the other. For example, a person might march in a demonstration in public support of a categorical social identity they embrace (say, rights for women in the workplace), but remain silent on a related issue in relational identity role settings (such as the division of labor between women and men in the family). Or a person might insist on being treated fairly in a social role relational social identity (say, within a family across generations), but avoid involvement in causes associated with defending such roles publicly (for example, rights of seniors). So obviously there are many ways people can manage social identity cognitive dissonance. At the same time, their particular rationality motivational grounds can also vary however they should choose to manage their personal conflicts. Thus in terms of Figure 1, the bottom two rows which set out different rationality motivational grounds can operate whatever a person's social identity choices are.
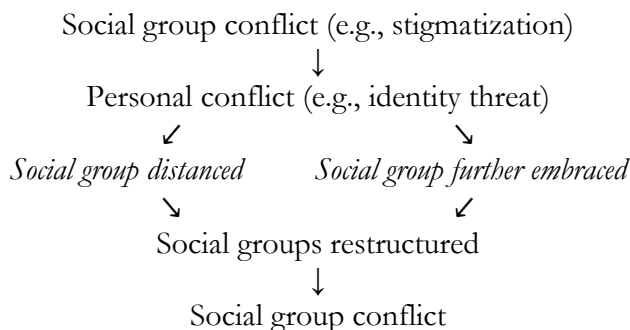
Consider, then, an influential identity-based version of the cognitive dissonance approach in social psychology is the stigma identity-threat model (Steele, 1997). When a social group to which people belong and its associated categorical social identity are stigmatized or somehow devalued (an example of interpersonal conflict generating cognitive dissonance), if that stigmatization creates a burden for the individuals who are stigmatized that exceeds some threshold of coping ability, they are said to respond by either increasing (e.g., Branscombe, Schmitt, and Harvey, 1999) or decreasing (Ellemers, Spears, and Doosje, 2002) the weight they place on the stigmatized identity. Social conflict that materializes in inter-group social stigmatization, such as in racial and ethnic slurs and discrimination, manifests itself as inter-personal conflict in the form of an identity-threat. This in turn can result in dissonance reduction actions which can alter social group identification.

Note, then, that the stigmatization conflict dynamic operates through effects that individual behavior and social structure have upon one another. Social conflict produces personal conflict, but if individuals respond to personal conflict by changing their social group affiliations, this can change the

composition of social groups, and thus change affect whether there is social conflict.[11] Figure 2 sets out this dynamic with the two possible responses to personal conflict distinguished above in social psychology in italics.

Figure 2

The stigmatization individual-social structure dynamic

Social group conflict (e.g., stigmatization)
↓
Personal conflict (e.g., identity threat)
↙ ↘
Social group distanced   *Social group further embraced*
↘ ↙
Social groups restructured
↓
Social group conflict

The stigmatization identity-threat model employs a relatively simple individual-social structure dynamic because it only includes categorical social identities. Expanding the analysis to include role-based relational social identities as above, and allowing that behavioral responses to stigmatization in this regard might offset or reinforce those in this simpler model does not rule out individuals and social structures being dynamically interactive. It only changes the complexity of the interaction (in the italicized row), and creates indeterminacy regarding what the impact is on social groups. That in this more complex world there are many possible patterns of interaction dynamics also provides strong grounds for adopting a broadly evolutionary approach to the explanation of social capital. We don't know how people will ultimately respond to social group conflict, but we can nonetheless see some basic patterns of causation in terms of how personal and social conflict interact in a social identity world.

5. The social capital trust-conflict dynamic of change

The individual-social group dynamic can be used to explain many social systems, but when used with social identity theory it has specific implications for social capital theory since the individual-social group dynamic is also a trust-conflict dynamic. Social identity theory and the idea of social embeddedness, particularly as elaborated by Bourdieu, set the stage for an analysis of trust. When people identify with others, they replace their individual interests with social interests, and this gives

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[11] See Horst, Kirman, and Teschl (2007) for a related model.

rise to trust and cooperation. But social identity theory is also about social group conflict, and in particular when group conflict affects role relational social identification, it can work against trust and cooperation. Thus, without a systematic account of how conflict arises, non-identity approaches to the analysis of social capital run the risk of exaggerating the durability of trust and cooperation, and thus failing to understand the social forces that undermine trust and cooperation.

The particular identity model of social capital used here emphasizes face-to-face personal contact in role locations where social group conflict is experienced and acted on by the people immediately involved. So whether people trust one another and cooperate is a matter of how people who are different and unlike one another but nonetheless find themselves brought together in interconnected roles respond to group-level conflict. With an identity approach, this is not the classic collective action problem associated with people overcoming their respective individual interests. This is a question of whether they can still 'identify with' one another through their interconnected roles when large impersonal groups of which they are members are in conflict.

Thus it is helpful to notice an important difference between identifying with someone categorically and doing so relationally. In the first case, one might be affectively or attitudinally inclined to identify with others, because groups of homogeneous people often share similar orientations based on shared inherited characteristics which they tend to accept without much reflection (for example, ethnic or national identities). But this affective basis for identifying with others is largely absent in the case of relational social identities where people find themselves paired with people who are different and are often members of different social groups. In this case, rather than an inclination to identify with others, what underlies identification with others is an awareness of the meaningfulness of occupying interconnected roles. That is, people regard functional interconnectedness as cognitively meaningful, essentially, I suggest, understanding it as an artifact of how human social organization has historically developed. That is, whereas categorical social identities are often rooted in more in the emotional side of life, relational identities depend on the ability of people to reason about the world, often when doing so in contrary to what they feel.

What, then, can we infer from this regarding trust and conflict? Evolutionary theory sees the evolutionary process as cumulative in the sense that how social economic systems evolve depends in a path-dependent way on what has come before. This allows us to make broad predictions about pathways of future development. For example, we don't expect future economic systems to be agrarian in form since the evolution of production has superseded that as the dominant form of production. So we might go on to infer that since social production systems have only become more fine-grained and complex in terms of role differentiation and interconnection that this trend is likely to continue as part of our evolutionary path in the future. It follows that the experience of role interconnectedness across heterogeneous groups of people would then also increase, thus giving people a stronger sense that trust and cooperation are meaningful even when recurring conflict at the social group level works to weaken trust and cooperation.

This broad projection allows us to say something about the interpretation of trust and cooperation in social capital theory. Because of its individualist approach, standard economics generally frames trust

and cooperation in terms of the problem of people finding a common interest. To the extent that economics and its rational theory has influenced social capital theory (cf. Coleman, 1988), this may lead people to not only see bonding social capital, where likeness between people is a basis for shared individual interest, as the default type of social capital, but also gives the 'strength of weak ties' thesis a sort of improbable standing. But the argument that comes out of social identity theory, at least as has been set out here, is that bridging social capital may increasingly be the default type of social capital, and that it indeed rather provides a 'strength of strong ties' in virtue of how it offsets the ways in which social group conflict break down trust and cooperation. Then contrary to the view that aggregate social capital might grow by somehow extending what motivates people to build bonding social capital and particularized trust, the argument would be that the growth of aggregate social capital depends on extending people's relational social identity motivations as a basis for the development of generalized trust.

6. Two concluding remarks on social policy

Social scientists have done much to explain the nature and advantages of accumulating social capital, and policy-makers have also sought to promote its accumulation in forms that are consistent with other social goals. One policy in this regard is to develop ways to reduce social group conflict, and thus conflict resolution mediation that brings together representatives of social groups is sometimes seen as a means of building social capital. This is surely important, but on the argument here it may be insufficient as a strategy of conflict resolution if agendas are not framed in terms of the relational identity role sites at which conflict between social groups often materializes. For example, the social group conflict between employees and employers is a broad social conflict, but whether it can be successfully addressed through mediation strategies likely depends on such matters as the scope of the rights and obligations of each in the roles they occupy in particular place of production.

One caveat regarding the analysis in this chapter should be noted in conclusion. It has been an assumption throughout that relational social identities correspond to categorical ones. But the reverse is not necessarily true since there are many categorical social identities which do not have corresponding sites where people find themselves in interconnected roles. That is, there is social group conflict that has a life independent of the experience of concrete interaction. This chapter does not address this dimension of social conflict, and the discussion here concerns trust and cooperation in circumstances where people have specific role-based opportunities for trusting and cooperating with one another.

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