

Abstract

Arguments and evidence from the social sciences, natural sciences and development practice are used to frame a broader discussion of the role of social relations in the process of economic development. We trace the intellectual history of social relations within theories of economic development and situate the rise of 'social capital' as idea and practice in the late twentieth century. Brief surveys of empirical and applied research in development studies—as well as recent influential work on preference formation, expectations and social identity in the fields of experimental economics, psychology and biology—are used to argue that there is now a diverse storehouse of compelling theory and evidence in support of propositions and hypotheses that have long been at the heart of social capital scholarship. Much remains to be done, however, on multiple fronts. The paper concludes with practical examples of social capital ideas in action in development projects around the world, from which scholars have much to learn. More frequent dialogue across the disciplines, and between scholars and practitioners, is needed to consolidate and advance our knowledge.

Keywords: social relations, group identity, adaptive solutions, trust

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Acknowledgements

This paper is forthcoming in the *Handbook of Social Capital*, edited by Dario Castiglione, Jan van Deth and Guglielmo Wolleb (Oxford University Press, 2008). We are grateful to Harvard University's Center for International Development for financial assistance and to the editors of this volume for their constructive comments and suggestions. The views expressed in this paper are those of the authors alone and should not be attributed to their respective organisations.