# The Idea of "Big Society" in Britain and the Social Capital Debate

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### The debate over "big society" in Britain

British Prime Minister David Cameron took office in May 2010 with the slogan "big society." A draft plan for his "big society" was revealed in a speech he gave in November 2009 as opposition leader<sup>1</sup>, and some of the ideas moving toward realization were announced in July 2010 after he became Prime Minister. According to that announcement, the plan will attach importance to the activities of voluntary community organizations as instruments for provision of various kinds of social services. In order to facilitate fund-raising for these organizations, the plan would set up a "Big Society Bank," using funds from dormant accounts of banks and building societies. Using this bank, it would have social entrepreneurs, primarily local people, buy up entities such as post offices and pubs whose survival is in danger, as well as parks, museums, and various welfare facilities, and operate them as facilities run by local people. Because these would not be commercial enterprises, the people would run them by utilizing things like interpersonal trust and norms of reciprocity, along with a volunteer spirit. The idea is that this would spur people in the community to become more active, improving social relations and allowing them to reverse the decline of their community.<sup>2</sup> It seems that the "big society" that Cameron speaks of may also be called the "rebuilding of social capital" in communities.

Meanwhile, the opposition Labour Party and the central to left leaning media are sceptical about the plan. At the roots of this scepticism there is a thought that the idea might be paired with large-scale spending cuts by the government. The Cameron coalition government has made clear its stance to push forward on reducing the government's budget deficit. It is likely unavoidable that large-scale cuts in annual expenditures will squeeze the provision of social services. There is apprehension that the "big society" idea is probably something that will shrink the government's welfare state functions in order to achieve "cheap government," redirecting

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<sup>&</sup>lt;sup>1</sup> D. Cameron, 'The Big Society', The Hugo Young Memorial Lecture, November 10, 2009.

<sup>&</sup>lt;sup>2</sup> 'David Cameron launches Tories' "big society" plan', BBC online, July 19, 2010; 'The Big Society: a genuine vision for Britain's future—or just empty rhetoric?', *The Independent*, July 20, 2010.

people's attention to the necessity of self-help in the communities.<sup>3</sup> Ed Miliband, leader of the Labour Party, has described the "big society" as "a cloak for the small state", and insisted that 'our economy, our communities and our civic society' can be made stronger 'not by small government, not by "big government" but by a government which values and acts in partnership with them.'<sup>4</sup>

In response to these criticisms, Prime Minister Cameron is denying on the surface that his "big society" idea is a cover-up for welfare related budget cuts. But even so, critics suspect that the two are flip sides of the same coin, as Cameron is positioning his "big society" as an opposing concept to "big government." He underscores the deficiencies of bureaucracy under a Labour Party-style "big government." He also sees people's dependence on the welfare state as a problem. In the field of social security, he says the government's excess provision is crowding out private sector efforts, implying that "big government" is a major factor obstructing a healthy society. Therefore, his assertion is essentially that in order to revitalize "society," it is important for communities to act independently from the state and for local people to work together in a coordinated, mutual fashion. It was former Prime Minister Margaret Thatcher who once remarked, 'There is no such thing as society. There are individual men and women, and there are families,' as she tried to encourage self-help efforts at the individual and household level. Cameron's assertion, by adding "society" to the picture, appears to differ from Thatcher's assertion. However, with respect to favouring "small government," Mr Cameron can clearly be considered a successor to Mrs Thatcher. Although the unit has shifted from individuals and households to communities, the desire to promote self-help is common to them both.

What this paper purports to do is somewhat of a research survey based on a limited point of view. The issue I would like to consider, in reference to social capital studies, is that Prime Minister Cameron is postulating "big society" as an opposing concept to "big government." Cameron's way of understanding sounds like insisting essentially that "big government" obstructs the formation of social capital, or that how large social capital is correlates with how small the government is. But such a finding has not been established in empirical researches on social capital. Here, while alluding mostly to the history of British social policy, I look at several studies discussing social capital and do a survey of them, taking note of how "government" is positioned in them.

#### Income inequality and people's health

In the November 2009 speech where Mr Cameron first revealed his "big society" idea, he cited Richard Wilkinson and Kate Pickett's book *The Spirit Level*<sup>5</sup> when mentioning how big an influence economic inequality has on such things as a society's average longevity, crime rate,

<sup>&</sup>lt;sup>3</sup> A. McSmith, 'Cameron's Big Society attacked as a cover for spending cuts', *The Independent*, July 20, 2010;

A. Coote, 'Cameron's 'big society' will leave the poor and powerless behind', Guardian, July 19, 2010.

<sup>&</sup>lt;sup>4</sup> E. Miliband, 'The Big Society: a cloak for the small state', *The Independent*, February 13, 2011

<sup>&</sup>lt;sup>5</sup> Wilkinson and K. Pickett, *The Spirit Level: Why more equal societies almost always do better* (2009).

and education level, and he indicated that making society more equal is what the "big society" idea aims to do. Then Cameron looked back over history to find the causes of Britain's present unequal society. Since the nineteenth century, social policies were enforced to cope with the problem of poverty, such as the poor laws, the factory acts, social insurance, and public housing, and after going through the economic slump during the interwar period, they turned into the post-war welfare state system. While he praises the role that this welfare state played in the equalization of society at least during the initial stages, he says that since the late-1960s in particular, the welfare state's inefficiency and the obstruction of local communities' independent efforts by the centralized bureaucracy have become evident. He adds that the disparity reduction measures taken under the Labour governments after 1997 had only meager effects because of that centralized bureaucratic control. So essentially he says that the government is what is obstructing the resolution of inequality, and a transfer of power from the central government to the communities ("community empowerment") is actually the most important policy task at hand.

An objection was presented by Wilkinson and Pickett, whose book Cameron had quoted. As it turns out, in the historical review about the causes of inequality that Cameron gave in his speech, there is a blank from the late1960s to 1997. Indeed it was during this period that Britain shifted course toward a "small government." The Thatcher Conservative government (1979-90) orchestrated the penetration of neo-liberal economic doctrines. According to Wilkinson and Pickett, the implementation, starting with the Thatcher government, of policies that placed too much faith in market competition was a deciding factor in increasing the disparity between the affluent and the poor.<sup>6</sup>

Wilkinson has been active in making remarks about the relationship between inequality and social problems, in particular the impact that income inequality has on people's health conditions.<sup>7</sup> To summarize his argument in simple terms, he says that inequality makes people unhealthy, but he sees social capital as an intervening factor in the relationship between inequality and people's health. He says economic disparity hinders the development of reciprocal, cooperative relations based on trust between people in a society – in other words, the formation of social capital – and the state of cold, unsociable societies with a lot of stress has a negative influence on the health of not only the poor but the affluent as well.<sup>8</sup> Wilkinson invokes studies of health indicators and social capital, such as the work of social epidemiologist

<sup>&</sup>lt;sup>6</sup> R. Wilkinson and K. Pickett, 'A broken society, yes. But broken by Thatcher,' *Guardian*, January 29, 2010.

<sup>&</sup>lt;sup>7</sup> R. Wilkinson, *The Impact of Inequality: How to make sick societies healthier* (2005).

<sup>&</sup>lt;sup>8</sup> Wilkinson tends to place a particular emphasis on the influence that disparity has on people's psyche and the influence that this psyche has on poor health. He thus views not only absolute poverty but also relative poverty as a major problem. However, he is criticized by other researchers who, while agreeing with him on the aspect of pointing to the negative influence that economic disparity has on health, say he makes light of the aspect that material poverty has influences on poor health. For example, J. Lynch, G. Davey Smith, G. Kaplan, and J. House, 'Income inequality and mortality: importance to health of individual income, psychosocial environment, or material conditions,'*British Medical Journal*, 320 (2000), pp.1200-1204.

Ichiro Kawachi<sup>9</sup> and others, as well as Robert Putnam's argument,<sup>10</sup> in pointing out that social capital is important for health.

But if we compare Putnam and Wilkinson's arguments, the way they place their main emphasis in their conclusions differs slightly. Putnam thinks of the cause and effect relationship between inequality, social capital, and health primarily in terms of social capital, and as a strategic implication of that, he emphasizes community rebuilding through the promotion of civic involvement. On the other hand, Wilkinson, whose argument focuses mostly on the inequality problem, places his main emphasis on the importance of income redistribution. In order to achieve equality, one method is to reduce the difference in pre-tax income (for example, reduce salary disparity between employees in companies, or enhance welfare benefits in companies) like Japan once did. Another method is for the government to redistribute income by way of taxation and social insurance and public provision. He argues that essentially a combination of both types is necessary. How to combine them should be decided according to circumstances, but what is of prime importance is having political resolve for redistribution to tackle the inequality problem.<sup>11</sup>

Wilkinson and Pickett say that politicians who readily deplore the collapse of family and community without dealing with the problem of inequality are 'unscientific'. In light of that, if Prime Minister Cameron is considering resolving the disparity, they suggest that government redistribution policies are important. They believe that only with such policies will a community based on trust and cooperation recover and people's welfare improve. Wilkinson and Pickett commend, with certain conditions, the fact that Gordon Brown's Labour government incorporated some sort of policy into every year's budget that redistributed wealth in order to do away with "social exclusion."<sup>12</sup> But because earnings by those in the highest income bracket soared, they say the Labour government ultimately ended without having done enough. So unlike Cameron, Wilkinson and Pickett do not view the government's redistributive welfare policies as impediments to civil society.<sup>13</sup>

With regard to the argument that views the enhancement of "big government" as a cause of declining civic involvement and participation, Putnam is also dismissive. While there are some individual policies that impede community activity, no general correlation is seen in US states between a gap in social capital and indicators of things like welfare expenditures or government size. Furthermore, in a comparison of European countries, social capital indicators

<sup>&</sup>lt;sup>9</sup> I. Kawachi and B.P. Kennedy, *The Health of Nations: why inequality is harmful to your health* (2002)

<sup>&</sup>lt;sup>10</sup> R.D. Putnam, *Bowling Alone: the Collapse and Revival of American Community* (2000), Chapter 20 in particular (Health and Happiness)

<sup>11</sup> Wilkinson & Pickett, The Spirit Level

<sup>&</sup>lt;sup>12</sup> For an assessment of the 13 years under New Labour, see P. Toynbee and D. Walker, *The Verdict. Did Labour Change Britain*? (2010); P. Thane, 'The balance sheet on Labour's 13 years: so much good, such an opportunity lost - Toynbee and Walker reviewed', *Open Democracy* (online), 15 November 2010.

<sup>13</sup> Wilkinson and Pickett, 'A broken society.'

are the largest in the northern European countries, where welfare expenditures are massive.<sup>14</sup> Stephen Kunitz, epidemiological historian at Rochester University, calls attention to the fact that high inequality, low social capital, and high mortality rates are recorded in southern US states, where state government redistribution functions are weak and public medical provision is inadequate. And yet Kunitz himself is somewhat sceptical of the view that social capital in general always contributes to an improvement in people's health, and if anything, he attaches more weight to upgrading the public medical system.<sup>15</sup>

#### Linking social capital

In his speech, Prime Minister Cameron cited the name of Elinor Ostrom, winner of the 2009 Nobel Prize for Economics, and said that the activities of the non-state sector are more effective than those of the state for resolving community problems.<sup>16</sup> But while the non-state sector Ostrom refers to is also a non-market sector, Cameron tends to perceive the state and society as a dichotomy, so the relationship between society and the market sector is not clear. The main purpose of Ostrom's work in the first place is to try to overcome the traditional state-market dichotomy in economics with respect to the issue of conserving and maintaining the "commons", and she says that there is a third method of resolution besides the state and the market – namely self-governance by interested parties and stakeholders in the community.<sup>17</sup> Rather than asserting that this third method is versatile in any kind of policy area, Ostrom perceives the three as being more mutually complementary than substitutional.<sup>18</sup>

What is difficult when we think of local governance is the positioning of existing local governments. When Cameron says "big government," he seems to refer mostly to the central government or a centralized bureaucracy; on the other hand, what he mentions as the instruments for "big society" are not local governments but rather voluntary community bodies such as charities and social enterprises. Does this mean he intends to view local governments as part of the governmental sector and bypass them (i.e., to see them as a target for reduction because they are part of "big government," or because they are a local agency of the centralized state)? Local governments are intrinsically meant to be a representative arm of local residents, and in that sense local governments can also be seen as one type of community organization. In England, there have not traditionally been mayors directly elected by the residents, and the oneness with

<sup>14</sup> Putnam, Bowling Alone, p.281

<sup>&</sup>lt;sup>15</sup> S.J. Kunitz, *The Health of Populations: General theories and particular realities* (2007), pp.121-122. Contending that if church membership is excluded, the degree of citizen participation in the US is not necessarily higher than that of Western Europe, Kunitz is wary of looking at the correlation between health indicators and the social capital indicators that Putnam employs. That is also in part due to the fact that even since the 1960s, which is when Putnam thought the decline of American community began, the average life span has extended. <sup>16</sup> Cameron, 'The Big Society'

<sup>&</sup>lt;sup>17</sup> E. Ostrom, Governing the Commons: The evolution of institutions for collective action (1990).

<sup>&</sup>lt;sup>18</sup> E. Ostrom, 'Covenanting, Co-Producing, and the Good Society', *The Newsletter of PEGS*, 3(2), Summer 1993, pp. 7-9

local councils and local government officials has always been stronger than Japan, for example.<sup>19</sup> In recent years, there are changes being made to local government systems (for example, widening them through the mergers of basic local governments, or emphasizing "leadership" through the introduction in some places of direct elections for mayorship), but it is not yet clear in the "big society" idea what will be done about these. If "government" and "society" are perceived only as opposing concepts, it became difficult to place the local councils.

How to perceive "government", especially local government, is a point of contention also in the social capital debate. Cambridge historian Simon Szreter, who specializes in population and health issues, has pointed out that Putnam's historical account of social capital in the modern US lacks sufficient mention of the role of government. In his Bowling Alone, Putnam tried to extract a lesson from the fact that in the time from the Gilded Age (from after the Civil War to around 1900) to the Progressive Era (1900 to WWI), various kinds of voluntary organizations increased rapidly and grew. He says that in the Gilded Age, organizations concerned with the welfare of members in their group were the mainstream, but in the Progressive Era, interest gradually expanded to reach outside of groups' membership, and organizations striving toward the welfare of the community as a whole increased. That is to say, there was a shift in relative weight from inward-looking "bonding" social capital to outward-looking "bridging" social capital.<sup>20</sup> Szreter says we should turn our attention to the fact that most of the organizations striving for the social reform of the community in the Progressive Era pressed the government and strove to control unscrupulous businesses and enhance the provision of public services. In some cases, these social movements at first led local governments to act, and then their success at the local level led the federal government to act as well, leading to national reform. Many historians point to the problems of social reform in this era on the moral and disciplinary interventionist side, but at any rate, reforms (e.g., public health reforms) did advance as voluntary movements of citizens got governments involved. Szreter stresses that these community organizations and local governments, as well as their relationships with state and federal governments, should also be included in the concept of social capital. He says that good relationships that encompass not only individuals and voluntary organizations but also governmental bodies can be seen as an asset for a society.<sup>21</sup>

What Szreter employs, therefore, is the concept of "linking" social capital that was first introduced by Michael Woolcock. Szreter commends that Putnam took into account the problems with "bonding" social capital and began to mention the importance of "bridging" capital. However, while "bridging" is an appropriate metaphor to describe horizontal relations, or

<sup>&</sup>lt;sup>19</sup> With regard to the situation in London, see T. Belton and P.J. Corfield, 'Building social capital through community politics in an inner London borough: the Labour Party in Battersea, 1908-2008', *The Senshu Social Capital Review*, no.1 (2010), pp. 37-65.

<sup>&</sup>lt;sup>20</sup> Putnam, *Bowling Alone*, Chapter 23.

<sup>&</sup>lt;sup>21</sup> S. Szreter, 'The state of social capital: bringing back in power, politics, and history', *Theory and Society*, 31 (2002), pp. 573-621.

relations between parties on a near-equal footing in terms of power, it is inadequate for describing vertical relations, or social capital that is formed between parties with differing abilities to access authority and resources, such as government agencies and ordinary citizens. With that in mind, when including the government sector in the social capital debate, he is proposing the use of the "linking" concept as something that includes vertical social relations. In 2004, Szreter and Woolcock wrote a joint essay for the *International Journal of Epidemiology* arguing for the utility of this concept in understanding the network structure between government and the society and their synergistic effects on public health policy.<sup>22</sup>

#### Government and society in history

Prime Minister Cameron's "big society" idea touts mutual assistance and volunteer activities for the resolution of social problems, whereas historian Lorie Charlesworth points out that in order for a "big society" relying on mutuality and volunteering, it is important for the government to provide a proper legal and financial framework. What Charlesworth has in mind for that is what is known as the old Poor Law, in effect until its revision in 1834. Under the old Poor Law, people had the right to receive relief in times of adversity, and each community (parish) was obliged to assist its poor. The law institutionalized a form of redistribution by way of a "poor rate" levied on property owners. An attempt to restrict this custom and culture of assistance, embedded in English society over many years, on the grounds of the priority of economic growth, came with the new Poor Law after 1834. Thereafter, according to Charlesworth, debates over social welfare spending have often inherited the ideas of this new Poor Law (the idea of 'deterred' provision with a variety of conditions attached). Charlesworth's argument is that if Cameron wants a true "big society," he needs to revisit the tradition of not the new Poor Law but the old Poor Law.<sup>23</sup>

In recent years, reassessment of what the welfare society was like before the nineteenth century is becoming a trend in British history. But there are differing views between historians on the degree to which the advantages that Charlesworth stresses in the old Poor Law actually worked. There was a substantial gap in actual operations among communities, and there were probably some places where the law did not necessarily contribute to resolving social problems.<sup>24</sup> There are also some historians who put much weight on not only the assistance

<sup>&</sup>lt;sup>22</sup> S. Szreter and M. Woolcock, 'Health by association? Social capital, social theory, and the political economy of public health', *International Journal of Epidemiology*, 33 (2004), pp. 650-667. The same volume features comments from social capitalists such as R. Putnam and I. Kawachi and critics such as V. Navaro and J. Lynch, and one can see a broadening of the points of controversy regarding health policy and the social capital debate. The same essay was contained in Chapter 11 of Szreter's solo work published the following year: S. Szreter, *Health and Wealth: Studies in history and policy* (2005).

<sup>&</sup>lt;sup>23</sup> L. Charlesworth, 'England's early 'Big Society': parish welfare under the Old Poor Law', *History and Policy Papers* (online), November 2010.

<sup>&</sup>lt;sup>24</sup> S. King, Poverty and Welfare in England, 1700-1850: a regional perspective (2000).

provided by the Poor Law but the role of voluntary agencies.<sup>25</sup> In any case, there were differences in what things were like, depending on the time and place, and we should not idealize the old Poor Law too much. But many are now casting doubt on a simplistic "Whiggish view of history" – which assumes that social policies have always 'progressed'.

Szreter is another of the historians who commend the social security system in the age of old Poor Law. In his view, Britain's social security system at that time served as a form of underlying support for its industrial revolution.<sup>26</sup> However, in addition to the drastic social changes brought about by the industrial revolution, such as the concentration of the population in large cities, there was a shift in policy toward the "cheap government" symbolized by the new Poor Law. This brought on deterioration in living conditions for many people, and during the golden age of British economic development from the 1830s to the 1860s, the rise of average life expectancy ended up stagnating (and even worsening, in large cities) as a result. Even in the mid-nineteenth century when average life span stagnated despite economic growth, charities such as voluntary hospitals and mutual aid organizations such as friendly societies existed, but most of them were inward-looking organizations designed to secure limited benefits within their membership. Many of lower working classes were excluded from these security systems. According to Szreter, this means that the mid-nineteenth century did feature the formation of bonding social capital, but it lacked bridging and linking social capital.<sup>27</sup>

Public health policy for the improvement of sanitary conditions had already been explored in the 1840s at the initiative of the central government, but there was a strong backlash at the local level against centralized intervention, so these explorations did not link to implementation right away. It was after the 1870s that sanitary reform began to materialize at the local level. One of the triggers for this change, according to Szreter, was the extension of suffrage to part of working classes, and local councillors became oblige to pay more attention to resolving the problems of the community as a whole than to protecting vested interests. Also, professionals who had the expertise for putting this shift into policy form and giving it shape (e.g., in the public health field, the medical officers health) were assigned to the local authorities. There was also the emergence of local politicians who served as pioneers of social reform led by local government, like Birmingham mayor Joseph Chamberlain who utilized social networks in local community well and, under the slogan of "civic gospel," exercised leadership in coordinating interests and views within the community and mobilizing collective activities. The reform led by Chamberlain in Birmingham is famous as "gas and water socialism," as he moved forward on building the infrastructure for gas, water, and sewage, as well as public housing for workers. His reforms even served as a model for other cities both in Britain and abroad (e.g. Osaka under the leadership of Mayor Hajime Seki). The central government, drawing on these pioneering

<sup>&</sup>lt;sup>25</sup> M.J. Daunton (ed.), Charity, Self-interest and Welfare in the English Past (1996).

<sup>&</sup>lt;sup>26</sup> Szreter, *Health and Wealth*, p. 425.

<sup>&</sup>lt;sup>27</sup> Ibid., p.399.

examples at the local level, proceeded with national legislation and set up public loan systems, essentially playing a promotional role in the public health reform led by the local authorities. Considering that there was cooperation between public authorities, voluntary agencies and citizens, with local councils acting as a core, Szreter sees this as an example of linking social capital formation.<sup>28</sup> Partly because of the public health reform that proceeded on the basis of this linking social capital, he says Britain's average life expectancy began to rise again. In the debate about the decline of mortality in the modern age, Szreter is one of the leading scholars who emphasize the importance of not only the improvement in nutrition standards that comes along with economic growth but also various social interventions such as health reform.<sup>29</sup>

A major focal point of research in recent years about the history of the British welfare state is that its basis was not only the "state" but a "mixed economy of welfare," so to speak, that includes services provided not only by the statutory sector but also by various voluntary agencies at the community level.<sup>30</sup> What Szreter's argument did was to nail down the essence of research trends relating to this "mixed economy of welfare" and organize it well using the term social capital. Of course, this was a bold way of epitomizing things, so there are sure to be criticisms from other historians. For example, one such criticism could be that his view of Chamberlain's achievements is guite rosy. But in my view, apart from whether or not this is referred to as a shift from bonding to linking social capital, it is true that there were moves to coordination and integration of various voluntary and statutory services under the initiative of the local councils, in order to establish more efficient and effective systems for provision of social services. Such a policy trend became conspicuous after the late nineteenth century. Why the local councils were considered qualified to be the integrating bodies for such services was that, for one, they had specialized experts such as medical officers of health; but more than anything, it was because the local councils are elective bodies representing local residents and could thus decide the appropriate forms of public provision on the basis of local consensus.<sup>31</sup>

Attempts to create local government-led systems for supplying social services in the early twentieth century, however, did not lead to a fundamental resolution of regional disparities. In the 1930s a gap arose in people's standards of living, health standards, and social service provision between areas suffering a severe recession and areas where conditions were not so severe. Wilkinson contends, citing Richard Titmuss's argument, that what improved this situation

<sup>&</sup>lt;sup>28</sup> *Ibid.*, pp. 400-403. For the influence of British municipal socialism on Japan, see J.E. Hanes, *The City as Subject: Seki Hajime and the reinvention of modern Osaka* (2002)

<sup>&</sup>lt;sup>29</sup> S. Szreter, 'The importance of social intervention in Britain's mortality decline c. 1850-1914', *Social History of Medicine*, 1 (1988), reprinted in Szreter, *Health and Wealth*, Chapter 4.

<sup>&</sup>lt;sup>30</sup> See e.g. J. Innes, 'The "mixed economy of welfare" in early modern England', in M.J. Daunton (ed.), *Charity, Self-interest and Welfare in the English Past* (1996); J. Lewis, 'Family provision of health and welfare in the mixed economy of care in the late nineteenth and twentieth centuries', *Social History of Medicine*, 8 (1995), pp.1-16.

<sup>&</sup>lt;sup>31</sup> T. Nagashima, 'A veteran public health reformer planning for an NHS: Arthur Newsholme and the discussions on medical provision in interwar Britain', *Keio Economic Studies*, 39 (2002), pp.37-55.

was World War II. Because taxation was made more progressive due to the war and rationing was introduced, society equalized and people strengthened their social bonds. As a result, the mortality rate for civilians dropped during the war. He perceives the *Beveridge Report* (1942), which served as the blueprint for the post-war welfare state, as something that was debated in the mindset of wanting to keep up these social bonds and fraternity based on equality and fairness even after peace was restored.<sup>32</sup>

Prime Minister Cameron also commends the mindset of the welfare state system established in the late 1940s. The system was established by Clement Atlee's Labour government, but because there were many parts to which the Conservatives of that period also agreed, Cameron is also likely to accept those parts. However, as stated earlier, Cameron, without commenting on the decision of the Thatcher government to breach the post-war consensus by reducing the welfare state budget, criticizes the increases in the welfare budget during the Labour administrations under Tony Blair and Gordon Brown, saying they did not produce results. His contention is that because a system under centralized state leadership interferes with the motivation for people in the community to voluntarily help each other, it does not produce results. It is true that welfare state systems thus far have had a lot of problems, and the defects of centralization and a bureaucracy-led system, which Cameron especially emphasizes, are serious problems that should be monitored at all times. However, can we really go so far as to say that the welfare state has impeded people's voluntary good intentions?

Matthew Hilton and his colleagues at Birmingham University have offered up evidence-based criticism of this assertion by the Prime Minister. Looking at trends in voluntary organizations over the past 60 years, while a decline can be observed in traditional organizations such as trade unions, political party branches, churches, and women's groups, Hilton's team has found out that people's participation is increasing in new forms of social movements and NGOs that serve the public interest. They could not confirm a trend in which the expansion of the welfare state was weakening civil involvement, and instead, they found many examples in which welfare state policies triggered voluntary initiatives by citizens. Therefore, they conclude that the governmental sector and the voluntary sector may be in more of a complementary relationship than a competitive relationship.<sup>33</sup>

Jane Lewis, a historian of social policy, points out that since its establishment, the British welfare state has always been in a cooperative relationship with the voluntary sector. 'New Labour' governments of Blair and Brown made clear their stance of exploring partnerships with voluntary associations for the purpose of eradicating social exclusion. In that sense, utilization of community organizations that Cameron speaks of is not, on the surface, an especially new thing. Lewis has noted that under New Labour, the British government showed interest in the

<sup>&</sup>lt;sup>32</sup> Wilkinson, *The Impact of Inequality*, p.209.

<sup>&</sup>lt;sup>33</sup> M. Hilton, J. McKay, N. Crowson and Jean-Francois Mouhot, 'The Big Society': civic participation and the state in modern Britain', *History and Policy Papers* (online), June 2010.

concept of social capital. But she worries about that, as in a discussion paper by the Cabinet Office in 2002, for example, social capital is often treated as if it is something to be built outside the governmental sector. What Lewis is concerned about seems to be the absence of "linking" social capital, to use Szreter's expression.<sup>34</sup>

#### Conclusion

This paper has taken a brief look at studies commenting on the role of "government" in the formation of "social capital," while contrasting this with Prime Minister Cameron's emphasis on the exclusive relationship between "government" and "society." Of course, as the head of government, the Prime Minister is aware of the importance of the government's role as a promoter of "big society." But if he implements his "big society" idea from the top-down, he himself is bound to be ensnared in the very centralized means that he views as problematic. How can the central government evoke "voluntary" activities by local people? The present government does not seem to be free from the same difficulty that successive governments have encountered in the past. The plan to establish a Big Society Bank could be a measure devised for that reason. As a plan for community revitalization, it will be interesting to see how it develops in the future. But it does not seem that it alone will serve as the deciding factor in resolving the problem of inequality and related problems.<sup>35</sup>

In this short essay, I cannot go into a specific discussion of what to do about the size of "government" – that is, how to define in practice the boundaries between the governmental and the voluntary sectors (as well as the market sector). But it should be pointed out that whereas Prime Minister Cameron is emphasizing the competitive relationship between the two sectors and the need for the latter to substitute for the former, if we look at things from a historical perspective, it has been observed that the welfare society was more effective when the two sectors had an active complementary and synergistic relationship. As historian Pat Thane has pointed out, Cameron's rhetoric about promoting "big society" seems to be only the latest version of many terms to describe voluntary community action (like Blair's "third sector"), but based on the wrong assumption that Britain's state welfare has always been antagonistic to non-state welfare.<sup>36</sup>

It is not the main purpose of this paper to criticize the British government's policies but to think about the scope of social capital studies, by looking at the arguments of several

<sup>&</sup>lt;sup>34</sup> J. Lewis, 'The state and the third sector in modern welfare states: independence, instrumentality, partnership', in A. Evers and J.-L. Laville (eds.), *The Third Sector in Europe* (2004), pp. 175-176.

<sup>&</sup>lt;sup>35</sup> As for issues relating to the community care of the elderly, for instance, see M. Hayashi, 'The care of older people in Japan: myths and realities of family 'care'', *History and Policy Papers* (online), June 2011. To provide policy implications for "big society", this paper, based on a careful historical review of the care of old people in Japan, points out that neither statutory nor voluntary mutual-help schemes are panaceas, yet both have valuable roles in alleviating social problems, and actually require more state support.

<sup>&</sup>lt;sup>36</sup> P. Thane, 'There has always been a "Big Society",' History Workshop (online), April 30, 2011

researchers in comparison with the big society idea. In particular, it has focused on the argument presented by Szreter, who has found in history how important trust and reciprocal relations including the governmental sector are for population health, and who has developed the linking social capital argument. When Szreter takes the 1870s to be the turning point in the shape of social capital in Britain, he is conscious of its similarity to the transition Putnam describes from the Gilded Age to the Progressive Era in the United States. The mid-nineteenth century in Britain and the last quarter of the nineteenth century in the US were both eras of remarkable economic growth. But at the same time, they were both periods when the problems of unequal societies became evident, such as poor health among the working classes. Bonding social capital existed even in these times, but there were many people who were excluded from it. The way Szreter sees it, the times when movements took place in earnest that were aimed at public health reform whose benefits would extend to a broader segment of society were the last quarter of the nineteenth century in Britain and during the Progressive Era in the early twentieth century in the US. With local governments playing a central role, these movements utilized local voluntary activities on the one hand while, on the other hand, getting the central government involved. In other words, the formation of linking social capital had major significance for the improvement of public health in the latter era. And when he focuses on these turning points in history, his perception of the issues is to suggest that the age of globalizing economic growth in the late twentieth century has aspects that resemble the first of the periods mentioned above. He implies therefore that, at the beginning of the twenty-first century, the way linking social capital is formed is important to the resolution of public health problems across the world.<sup>37</sup>

However, this does not necessarily mean that as long as linking social capital is formed externally, all is fine. Noting that municipal governments in the Progressive Era were often breeding grounds for nepotism and political corruption, Kunitz argues that not only bonding social capital but even bridging and linking social capital are by no means alien to that problem. He also says that linking social capital does not automatically operate as a positive force for public health. For example, in the United States during the Progressive Era, the National Civic Federation composed of business and labour leaders got citizens and the Congress involved and succeeded in getting a draft for a national health insurance scheme scrapped. The same sort of crusade against public health insurance was seen during the Clinton administration as well, and President Obama is coming up against that very problem right now. Essentially, Kunitz is calling attention to the possibility that linking social capital could operate as both a positive and negative force for public health, and that basically depending on who it is formed or utilized for, for what purpose, and to what extent, its influence on and significance for people can vary.<sup>38</sup>

Also, we should keep in mind that the formation of linking social capital is particularly

<sup>&</sup>lt;sup>37</sup> S. Szreter, 'Public health and security in an age of globalizing economic growth: the awkward lessons of history', in Szreter, *Health and Wealth*, Chapter 12.

<sup>&</sup>lt;sup>38</sup> Kunitz, The Health of Populations, p. 124.

difficult under autocratic or corrupted regimes. On the other hand, in countries with liberal democracy, making it work and utilizing it soundly may lead to social capital formation. Lewis, commenting with European nations in mind, says that to make social capital abundant, it is important for it to be embedded in and linked to formal political systems.<sup>39</sup> In countries adopting systems of democracy, if we overemphasize the conceptual antagonism between "government" and "civil society", we could bypass the principle that the government is supposed to be composed based on representative democracy. In reality, however, governmental authorities have various difficulties and often the target of mistrust by many people. Yet it is desirable patiently to seek the way to make governmental agencies really "public" bodies by making democracy work, and this would be an important step towards "linking social capital" formation.

<sup>&</sup>lt;sup>39</sup> Lewis, 'The state and the third sector in modern welfare states', pp.176-177.