The Added Value of Social Relations

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Abstract: Almost all empirical research reveals that social capital is a factor that enhances public goods, but scholars are divided into two strands of thought. According to the first strand, the enhancement of public goods does not need any network of social relations while, according to the second, enhancement depends on the existence and good functioning of relational networks, to the point that it consists in the creation of social networks. Which one is right? In order to clarify the issue, one should ask: can a social relation have any added social value? If so, how can we conceive of the added social value of social relations, and how can we measure it? The Author claims that the added social value of social relations can be observed in those processes through which social capital and public (relational) goods (re)generate or elide each other. These processes can be analyzed as morphogenetic cycles that work in temporal sequences and are not circular or recursive. By adopting this perspective, we can see and measure the added social value of social relations in primary and secondary networks, leading to the emergence of public goods. The relational approach can give abundant evidence as to how and why different public goods are produced and/or enhanced depending on the different added social value of the social relations that constitute them.

Key words: Social capital, Relational goods, Added social value, Social relations, Social networks, Relational sociology

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The issue and theses

All empirical research stresses that social capital (SC) valorizes public goods, but scholars are divided into two major strands of thought. According to some, the promotion of public goods takes place apart from social networks while others hold that it depends on social networks and, indeed, that it consists precisely in the creation of social networks (endowed, as we shall see, with certain qualities and properties).

Behind this division lies a different and opposite conception of the social relation. For the first group of scholars, the social relation does not give any added social value because social capital consists, in their opinion, in a cultural legacy (civic-mindedness or the like) which supports to a greater or lesser degree the production of public goods in so far as it is internalized and enacted by individuals in a given geographical context with no need for specific relations among them. For the second group, instead, it is precisely in social relations that social capital consists, generating the added social value that constitutes (or, perhaps, “institutes”) public goods. To clarify this question, it is therefore necessary to ask ourselves: does the added social value of social relations exist or not? And, if so, what is it and how can it be measured? Answering these questions is crucial to our ability to observe social capital and its benefits as a real form of capital (as Fragkandreas, 2012, has recently argued).

The thesis of relational sociology affirms that social capital generates and valorizes public goods through the added social value of the relations that characterize it. Social capital and relational public goods are two realities that are generated and regenerated, or elided, in turn. We must abandon circular and recursive frameworks and conceive of the relationships between social capital and relational public goods as morphogenetic processes occurring over time.

When we adopt this perspective, we can observe the added social value (ASV) of primary (interpersonal) relations and secondary (associative beyond personal acquaintance) relations.

In my opinion, added social value (ASV) is precisely the emergent effect of the agential, interactive, and systemic reflexivity of social bonds when (if and in so far as) they are considered and practiced as opportunities.
and resources (therefore, as a source of enhancement) rather than as constraints and constrictions that inhibit social actors.

Those who deny that social capital has a relational nature can only observe its presence or absence, its greater or lesser efficacy, but cannot explain how and why it is generated or is absent. On the other hand, those who adopt the relational perspective can account for the generative processes of social capital and the different benefits that it can produce depending on what the added social value of the relations constituting it is.

The state of the art in the study of social capital in relation to the production of public goods: a debate replete with aporias

1. Are primary social networks an obstacle or a support for the valorization of public goods?

Many scholars who have studied social capital have reached the conclusion, whether explicitly (Banfield, 1958) or implicitly (Putnam 1993, 2000; Cartocci, 2007), that informal societal networks (primary or of proximity) and formal societal networks (secondary, that is, of organized associations) tend to facilitate individuals’ closure and their particularism and attachment to personal or community interests. Attitudes of openness toward a generalized other (voting, granting generalized interpersonal trust, donating blood, etc.), instead, would appear to favor the production on the part of civil society of positive externalities for the entire social context, producing, that is, public benefits.

The most significant consequence of this way of seeing social capital is the circumvention or, at least, the underestimation of the importance of social relations because social interaction networks are excluded from the study of both social capital and the public goods produced by it. In short, it seems that the valorization of public goods through social capital does not need social relations having specific qualities and their own powers.

For instance, the Italian political scientist Cartocci (2007) maintains that: (1) social capital does not have connections with the concept of the social grid; (2) networks of proximity establish negative relations with social capital and with individuals’ civic-mindedness.

These theses have been called into question by a series of theoretical and empirical investigations that have shown the exact opposite. The first
thesis leads one to disregard a vast number of sociological studies¹ that underscore the deep and ineluctable connection between the concept of social network and that of social capital. The second thesis was proved wrong by numerous theoretical and empirical studies that shed light on the conditions under which relations of proximity turn out to be efficacious in augmenting prosociality and individuals’ orientation toward a generalized other ².

In particular, a study on Italy showed the existence of a continuity between primary, secondary, and generalized social capital (Donati and Tronca, 2008). The definition of these different types of social capital is reported in table 1, which also aims to clarify terminology used in subsequent contributions. This investigation found that familial and communitarian social capital turns out to be positively correlated with associative and generalized social capital, and that they work together to valorize public goods. The relative continuity of the different forms of social capital indicates that significant interdependencies and reciprocal synergies exist. But this is seen only if one adopts a relational perspective of sociological analysis).

We can read the balance of power between primary SC and secondary SC (as defined in table 1) from an evolutionary standpoint (in terms of extent and importance) in the various types of societies that have existed throughout history. In segmentary societies (those that are primitive or simple), primary SC is high and secondary SC is low because a social sphere developed in an associative sense outside the realm of family and kinship does not exist (there is no – or a very low – distinction between the private and public spheres). In stratified societies, the power of primary SC persists but in a manner that is diversified by social class (hence the high-medium gradation) while SC begins to develop outside the family and kinship networks.

Table 1. The distinction among the various forms of social capital (SC): primary, secondary and generalized.

<table>
<thead>
<tr>
<th>Different types of SC</th>
<th>Social sphere (or subject):</th>
<th>What SC consists in (its dimensions):</th>
<th>Specific SC of that sphere as factor of:</th>
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| Primary social capital (SC) | a) Familial SC 
   b) Parental SC 
   c) Communitarian SC of informal networks (of neighbors, friends, co-workers) | 1. Primary trust (face-to-face and intersubjective) 
   2. Interpersonal reciprocity as symbolic exchange, or gift as act in a circuit of reciprocal exchanges of giving-receiving-reciprocating without monetary equivalents | Civility: SC produces relations that are civil in that they consist of good manners and positive consideration for the other, which is the term of reference for cooperation and reciprocal solidarity in interpersonal relations |
| Secondary social capital (SC) | Associative SC of organized social networks in associations of civil society | 1. Secondary trust (toward individuals who have in common the belonging to a civil or political association or community) 
   2. Expanded social reciprocity (extension of the symbolic exchange to those who belong to the same civil or political association or community) | Associative democracy: SC generates associative forms for promoting goals that cannot be achieved by individuals but require trust and the spirit of collaboration between persons or social groups that recognize one another as members of the same social network, association, or organization |
| Generalized social capital (SC) | SC in the sphere of the public space, or the impersonal arena of a territory considered as political (multicultural, multiethnic, etc.) community | 1. Generic (generalized) trust in the Other, that is, the stranger that one encounters in the public sphere 
   2. Willingness to collaborate in order to produce a collective good (cooperation is demonstrated with electoral participation, acts of donation to organizations with prosocial goals, support of petitions that promote a public good, advocacy for collective rights, etc.) | Civic culture (or civic mindedness) in a local, national, or global context: SC generates civic mindedness (or civic culture) in that it consists in the exercise of the virtues of the “good citizen” who is committed to and responsible for public goods, with trust and the spirit of collaboration, in places and spheres of impersonal relations among simple fellow citizens who recognize one another as members of the same political community |

In the society of early modernization, primary SC is weakened in conjunction with the privatization of the bourgeois family and the large scale spread of the proletarian family while secondary SC increases (bourgeois civil society). In societies with elevated modernization in
comparison to prior configurations, we notice a decrease of both primary as well as secondary SC owing to an elevated level of fragmentation, isolation, and social anomie.

What was gained in terms of an increase in secondary SC as one leaves behind the traditional society stratified by class and moves toward the first period of modernization is later lost because, if capitalism at first fosters secondary SC, it subsequently erodes it together with the family and kinship networks.

In many European countries the weakening of SC can be connected to the fact that the modern State-market complex has colonized the spheres of social autonomy that were typical of premodern civil society (one should think of the associative aggregations that arose during the Middle Ages and later in the Renaissance and with the Enlightenment) and, in part, to the fact that the same State-market complex has weakened its familial bases and, therefore, has undermined little by little the input of primary SC to secondary SC. The differentials in SC between highly modernized geographical areas (Center-North Europe) and the modernized areas that maintain strong traditional elements (Center-South Europe) can be explained on the basis of these configurations’ differential trends. The Mediterranean countries require a separate discussion because to a good extent it exists within the types of societies that I have called segmentary and stratified.

Many ask questions such as: can we think about getting a new civil society, able to pursue public goods, through the growth of primary and secondary SC, especially in those countries in which SC has been withering? What type of social arrangements could foster such a new civil society? In order to answer these questions a research network carried out various investigations, which explored not only the relationships between primary SC and secondary SC, but also between these two types of SC and other spheres such as the political sphere of democratic institutions and the economic one of the market. The results of these investigations show that public goods are valorized by primary, secondary, and generalized SC.

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2. Beyond the aporia of social capital’s circularity

One of the most evident aporias in studies on social capital consists, as Portes (1998) would have it, in the fact that it is not clear whether and when SC is an independent or dependent variable. In this way, one ends up falling into a ‘circular’ vision of the factors in play, generating suspicion and confusion about the reality of SC as an autonomous factor endowed with its own qualities and powers. It is not clear whether SC generates public goods or whether things proceed in the opposite direction in which it is the existence of public goods that generates SC. As Portes (1998) put it: “... as a property of communities and nations rather than of individuals, social capital is, at the same time, a cause and an effect. It leads to positive results, such as economic growth and a decrease in crime, but its existence is deduced from these same results. Cities that are well governed and are growing economically are in this situation because they have considerable social capital; poorer cities have a smaller quantity of this civic virtue.”

In order to find a way out of these difficulties, we can consider a relational approach to social capital that, from a distinctively sociological point of view: (i) avoids persistent misunderstandings by tracing them back to the partialities and distortions of individualistic and holistic approaches; (ii) allows one to see public goods – in as much as they are generated in a relational manner – so as to avoid reductionisms, in particular, the psychologistic reductionism (thinking of the relational good as affectivity, expressivity, etc. of the relation) and the economistic reductionism (thinking of the relational good as the humane dimension of economic transactions that offers the best competitive advantages and the greatest utility and satisfaction in economic preferences).

In order to find a way out of the circularity of which I spoke, it is useful to avail ourselves of the notion of ‘relational goods’ as a co-related way that SC exists when it presents itself in the form of ‘public’ goods (“public good” means here that it is accessible to anyone who wants to take part in it, observing the norms and conditions that it imposes so that it can be generated and enjoyed together with others).

Relational goods are a theme, introduced in the literature more than twenty years ago, that suffered and still suffers from the same aporias as the concept of social capital. A new discussion of these social goods, and their relations to social capital, has emerged recently (Donati and Solci, 2011). Various semantics exist for both concepts. The concept of relational good is
used as an *explanans* and an *explanandum* by many disciplines (from economics to psychology, from sociology to political science), exactly as happens for the concept of social capital. This indicates that some kind of deep connection exists between the two concepts and that the solution to the problem is to be found in seeing these connections.

**The perspective of relational sociology**

The research network that I directed has shown that the relational approach is precisely the one able to explain the relations between social capital and relational goods while avoiding the ambiguities of scholars who sometimes consider them as an *explanans* and sometimes as an *explanandum*. The solution lies in seeing them inside a sequence that is not circular but morphogenetic, instead.

To clarify this point, a scheme is proposed (fig. 1) that synthesizes the underlying theses of this paper according to which SC is a product of relational goods and, in turn, is a regenerator of relational goods. The recursivity between social capital (SC) and relational goods (RG) is only apparent in the sense that it can be resolved by introducing the morphogenetic scheme, which takes into account the temporal phases and the autonomous (‘stratified’) input of every element in the process’s single phases.

In this scheme (fig. 1), the relationships between SC and RG are clearly seen (having been simplified as much as possible): whether it is SC that generates RG or vice versa depends on the phase in which we observe the social process, as a process of social morphogenesis (Archer, 2013).

Let us look at an example.

Time T1: the beginning of the process happens when an intervention (an action among different subjects) is organized activating/mobilizing the relation(s) among the actors as a good to be pursued, as a good in itself, that is, as a relational good. For example, when there is a need to organize a care intervention (a day care service for children or home care for the elderly), it is designed and implemented by mobilizing the relations among the individuals to be assisted and the actors of their primary and secondary networks. This generates a situation from which more or less, or even no,
SC can emerge in terms of trust, cooperation, and reciprocity among the actors.

Time T2 - T3: whether more or less SC is generated depends on the actors and the network that is created and mobilized. Here the actors’ and their networks’ reflexivity comes into play.

Time T4: if, in the second phase’s network interactions, the dynamic generated SC, then the initial relational good is regenerated or even increased while if, in the second phase, SC was only consumed or destroyed, relational goods are not produced, and even the initial relational good disappears.

From Time T4 another morphogenetic cycle will begin: the existing network of relations at Time T4 will have to deal with the interactions among the subjects so that SC will be put into play once again, from which it could emerge either strengthened or weakened.

Figure 1. Added social value of social capital (SC) as (re)generation of relational goods (RG) over time (cycle T1-T4), that is, as alteration of the order of relations through the order of interactions.
It is important to underscore that in the interactive phase, the actors’ personal reflexivity and the relational reflexivity of their networks play a decisive role while the structural context has an impact in fostering a certain type of reflexivity rather than another (this is reflexivity or, better, systemic reflectivity: Donati, 2010).

This framework avoids conflations between relational goods and SC, keeping them distinct but also in relation with each other.

Thus, we can speak of an ‘added social value’ (ASV) of SC that:
(i) consists in (re)generating (rather than consuming, annihilating, etc.) relational goods; (ii) can be measured with the associative network’s capacity to produce internal and external relations that act in a reflexive manner in such a way that the shared relations are made more efficacious, that is, they increase the network’s operative efficacy (strengthening of goal attainment requirement applied to the associative network) (Donati, 2010).

This is, therefore, the ASV of relations that we call SC as the capacity to generate relational public goods starting from an organized context with a view to producing relational goods. In a social intervention that functions well (because it truly produces public goods), there is no confusing circularity between SC and relational goods; rather, a morphogenetic process occurs that follows a precise temporal sequence.

ASV is the difference between the initial situation at Time T1 and the situation at the conclusion of the morphogenetic cycle considered at Time T4 (it can be positive or negative). ASV measures an associative network’s capacity to be efficacious qua talis (therefore, not being subject to anything but itself) in that it measures a network’s capacity to produce sociability as an added value (that is, as the increase of its relational parameters: for example, the degree of reciprocity, cooperation, trust, affinity, etc.). In other words, it measures whether and to what degree the network succeeds in putting its (internal) relational good in synergy with SC (in all of its dimensions: bonding, bridging, linking) since the one needs the other in order to produce the fruits of prosociality.

An example could be that of the Tagesmütter (the so-called ‘day mother’). Once this figure is created with a contract according to which a mother of a young child (0-3 years old) takes on the task of caring for other (two or three) children of the same age, a relation is created among the involved families which have set for themselves a common goal or task.
(the care of their children, entrusted to the Tagesmütter). In this action of trust and reciprocal cooperation, there is the premise and the promise of a relational good. It depends on the second phase (how the interactions among the families go) to ensure that interactions among them operate to generate, and not consume, SC: in other words, if a relational context is created that is made of trust, cooperation, and reciprocity among the children’s parents (who, owing to the type of relation that is established, know and spend time with one another in keeping with qualities and powers that a public or private nursery organized in a bureaucratic or commercial fashion would not have produced), then SC generates a network of families in which relational goods flourish; otherwise, the social intervention takes another path.

More in general, the so-called Third sector and the social private sector are such when they are configured as social spheres that produce relational social inclusion through a virtuous interaction between a relational good and SC. The interaction is virtuous both because it increases them, in turn, and because it operates with prosocial, civic, or civil ends.

The conceptualization presented here (fig. 1) resolves the aporias that hold studies on SC captive (in particular, those cited by authors such as Portes, 1998; Edwards et al., 2001) in as much as it shows that SC is a variable that is both dependent as well as independent, context-dependent as well as activity-dependent, cultural (actors’ norms, values, and attitudes) as well as structural (made of networks, organizations, and linkages), without conflating all of these elements and dimensions. One would require an entire book to discuss all of this in depth; however, given that the theoretical kernel of the issue is clear enough, the present work has the goal of showing that the conceptual frame just delineated is corroborated by empirical research, the results of which are reported here in synthetic form.

**We thus understand the added social value of social relations**

In short, saying ‘added value’ means making reference to an increase of the value of something/someone. The increase is produced by something/someone that has acted/operated on something/someone which - due to a causal effect - has augmented its value.
When this happens through the social relation, we have the added social value of the social relation. It is the social relation that valorizes something/someone. If what it valorizes is a relation, then we are on the way to producing a relational good, which will be public if and in so far as it provides for access and the possibility of adhesion for all who have a potential interest in sharing it as a form of relational service.

An associative network or a Third Sector organization creates ASV because, in producing goods or services (for example, a service to care for children, the disabled, the elderly, etc.), it uses a greater quantity and better quality of social relations as compared to those that are used by the market or the public administration’s bureaucracy. If these more numerous and better relations also target not only simple services as such, but also the relations among the subjects involved in the service, then the service itself becomes a relational good. It becomes a relational service in a strict sense.

Saying that a social relation has an ASV means taking note of the fact that putting something/someone in relation with another something/someone produces an entity that goes beyond the powers and qualities of the elements/subjects that were put in relation with one another. The phrase «to put two entities in relation» means both that one entity makes symbolic reference to the other (refero) and that a bond or structural connection between them is created (religo) at the same time.

The relational combination of the symbolic reference with the structural bond (refero-religo), which can be called the «founding relation» (or Grundverhältnis in German; see Günther 1976) that was put into effect has generated an added value because it has increased the value of whatever was put in relation through the social relation itself. This is an emergent effect and an effect that emerges precisely from the relation’s qualities and causal properties.

In order to understand this process of valorization, it is necessary to conceptualize the ‘relation that valorizes’, given that not all relations have this emergent effect (to produce relational goods). At times, the emergent effect is negative in the sense that a relational evil (RE) is produced rather than a relational good (RG).

So we ask: how do we configure the relation that confers added value? We see this in figure 2. Something/someone’s value can be defined (on the basis of the AGIL framework in its relational version) according to four dimensions, which are interrelated among themselves: as exchange value
(A), as use value (G), as relational value or the value of the bond (I), and as the value of dignity (L).

(A) Something/someone is valorized in terms of exchange value when, through the relation with something/someone other than itself/oneself, its/his/her economic value (Wert) is increased with reference to a pricing system (added value in terms of utility);

(G) Something/someone is valorized in terms of use value when, through the relation with something/someone other than itself/oneself, its/his/her possible uses are increased: in other words, a super-functionality of something/someone is generated (added value in terms of functions/services performed);

(I) Relational value is the value of something/someone owing to the relations that it makes available, or owing to the relations that it activates and that are necessary in order to configure each of the other dimensions and their combinations so as to improve the qualities and powers of whatever (something/someone) was put in relation (added value in terms of the creation of relations that improve the capacities and qualities of what was put in relation); the relations that we call ‘social capital’ (trust, cooperation, reciprocity) optimize this criterion;

(L) Something/someone is valorized in its/his/her value of dignity when, through the relation with something/someone other than itself/oneself, the sense of dignity one has in and for oneself is acknowledged and amplified, with no possibility of negotiating this value (Würde in German) (added value in terms of acknowledgement).

These are the analytical dimensions of ‘value’. In social processes, something/someone’s value can be increased or simply reproduced as is, or else diminished or annihilated. Valorization is an operation of enhancement (to enhance means ‘to increase the good qualities of something/someone’), which can refer to the four dimensions discussed (fig. 2) or to a combination of them.

When people mobilize a network of relations in order to enhance something/someone’s value – for example, in the area of human services – they are more or less consciously trying to produce an added social value. They achieve this if and in so far as they use the relational criterion, which does not refer to economic utility or to functional service but rather to the capacity of social relations to mobilize resources – including the relations
themselves – that empower the subjects who are the service’s producers and users at the same time (prosumers).

This type of operation is, in theory, specific to the Private social and Third sectors when they give priority to valorization criteria that make reference to relational dimensions and to dignity.

In order for this to happen, it is necessary that the social relation that gives added social value to something/someone (X) be made available. This means that there must be the potential for a certain amount of social

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**Figure 2. The analytical dimensions of something/someone’s ‘Value’** (the added value can be measured as advantage gained in the exchange, in the use of something/someone, in something/someone’s dignity, in the social relation that is activated or stimulated by something/someone and that, as an active bond, offers new opportunities and relational resources which are not of mere exchange or use)
capital (that is, a certain amount of willingness to having relations of trust, cooperation, and reciprocity). These relations pertain to the area of value as dignity and relational value (area L-I), that is, to the area of relations that confer an intrinsic value to something/someone (X). If this area works well, it is possible to produce a relational good that, in turn, feeds social capital in a sequence that is not circular, but has a linear character of succession over time (without the possibility of going backward) (as we saw in figure 1).

In this way, the relationality that unfolds in the interaction among actors can increase or decrease the parameters (trust, etc.) of social capital upon which public relational goods are dependent. If these parameters go below a certain threshold, or even reset to zero, not only is a public relational good not produced, but social capital is also consumed. This is what usually happens if the process of valorizing something/someone remains confined within the area of exchange (utilitarian) value and use value (area A-G), that is, the area of interactions that privilege the social relation’s extrinsic value.

We see all of this happening on the macro, meso, and micro levels, as the investigations referred to here have hypothesized and demonstrated.

A final note: in principle, the area of extrinsic value (area A-G: for example, Marx’s capital and Habermas’s strategic action) and the area of intrinsic value (area L-I, for example, Buber’s I-You relation and Habermas’s communicative action) are at the antipodes (fig. 2).

Nevertheless, in real processes of valorization their differentiation is ongoing, depending on the timing (temporal phases) and the matter at hand, so that it is advisable not to dichotomize the forms of valorization. It should not be assumed, for example, that added relational value, having in and of itself an intrinsic qualitative character, is necessarily incompatible with, let’s say, added exchange value, which is extrinsic. On the contrary, current tendencies to encourage cooperation between profit and non-profit organizations, by establishing new entities (for instance, civil foundations) that associate them in order to produce relational goods, are moving precisely in the direction of a ‘composite’ process of valorization in which all four of the valorization criteria (fig. 2) work together to create an ‘overall’ added social value.
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References


