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# Is the Universal Welfare State a Cause or an Effect of Social Capital?

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## **What is a universal welfare state?**

The large body of welfare state research that exists has to quite some extent been a taxonomic enterprise. Scholars in this field have put a lot of effort into constructing an adequate conceptual map that captures the extensive variation that exists in how different industrialized Western states are doing “welfare” and what differentiates the one social program from the other (Flora, 1987; Swank, 1988; Goul Andersen and Hoff, 1996; Korpi and Palme, 1998; Rothstein, 1998; Kuhnle, 2000). Many scholars have come to single out the four Nordic countries as a special type of welfare state that has been labelled as “the universal welfare state” (Esping-Andersen, 1990). By this is meant that there is a broad range of social services and benefits that are intended to cover the *entire* population throughout the different stages of life, and that the benefits are delivered on the basis of *uniform* rules for eligibility. A typical example would be universal childcare or universal child allowances that are distributed without any form of means-testing (that is., no individual screening is carried out) Universal health care or sickness insurances are other examples. This type of welfare policy may be distinguished from selective welfare programs that are intended to assist only those who cannot manage economically on their own hand. In a selective program, the specific needs and the economic situation of each person seeking assistance have to be scrutinized by some administrative process (Kumlin, 2004). A third type of welfare state is that which benefits and services are distributed according to status group. In such systems, privileged groups of the population are singled out to receive more than the rest of society, a benefit originally intended as an award for loyalty to the state. The status-oriented compartmentalized social insurance schemes in Germany, which are tailored to its specific clientele, are a case in point (Rothstein and Stolle, 2003)

It should be noted that all modern welfare states are mixes and that differences between various programs can be rather fine-grained. It is also the case that selectivity is carried out in a number of different ways. For example, there are programs that caters to almost the whole population except for the very wealthy and that are thus not singling out the poorest part of the population. Other welfare states have different programs for very broad categories of citizens based, for example, on occupational status (Mau, 2003). Nevertheless, most welfare state and social policy researchers seem to have accepted the idea that it is reasonable to categorize different welfare states according to this universal-selectivity

dimension based on what is their typical “modus operandi”(Goodin *et al.*, 1999; Scharpf, 2000; Huber and Stephens, 2001; Pontusson, 2005).

A number of important political and social consequences follow from how welfare states are organized. First, since universal welfare states cater to a very large part of the population, the middle and professional classes are included in the programs. This has important electoral and political consequences because the welfare states in the Nordic countries are not primarily seen as only catering to the needs of “the poor” (Rothstein and Uslaner, 2005). Secondly, a universal welfare system demands a high level of taxation for the simple reason that if (almost) everyone is included, the public coffers have to be big (Steinmo, 1993). Thirdly, a universal policy can be implemented without the large bureaucratic apparatus that is needed for carrying out the individualized means-testing that is needed in a selective welfare system (Rothstein, 1998). Fourthly, it is well-known that means-testing often is perceived by clients as problematic from an integrity perspective and that social stigma often follows from being seen as a client in a selective program (Soss, 2000).

One way to illustrate the differences is to compare a person with low economic resources in these different systems, for example a single-parent with low education (usually a woman). In a selective system, this is usually a person that does not work because she cannot afford daycare. It follows that she and her children have to exist on some form of selective benefits which in addition to the integrity problems that follow from means-testing usually also carries a social stigma. This is thus a person that can be seen as someone who does not contribute to society (not working and not paying taxes) but that survives on special benefits. In a universal system, this is usually a person that works because her children are in the public childcare or pre-school system as (almost) everyone else’s children. The implication is that this is a person that is usually able to get by without applying for social assistance by combining her (low) income with the universal benefits and services that goes to everyone. She is thus not seen as someone just benefiting from the welfare state and as being outside the social fabric (Sainsbury, 1999). Moreover, the services and benefits that she gets do not carry any special social stigma and her integrity is not violated by a bureaucratic process scrutinizing her economic and social situation.<sup>1</sup>

Admittedly, this is an ideal-type of reasoning and one should be vary of the great variation that exists between “really existing” welfare states (Alber, 2006). Nevertheless, there is quite some empirical support for this argument about the social and political

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<sup>1</sup> It is interesting that the political metaphor “welfare queen” does not exist in the Scandinavian languages.

consequences of different welfare state models. This concerns not least the situation of children that grow up in low-resource single parent families (Rainwater and Smeeding, 2003). This chapter is organized as follows: The first section deals with the puzzle why the countries that have the most ambitious and encompassing social policies also seem to have the largest stock of social capital. The second section deals with the problem of causality – if the level of social capital can be seen as a causal factor behind variation in welfare state ambitions, or if the causality works the other way around. In this section is also a presentation of the relation between types of welfare state programs and economic redistribution. The last section presents a theory of how the causal mechanism(s) between social capital and welfare state policies can be understood.

## **Social Capital and the Nordic puzzle**

What has become particularly interesting from a social capital perspective is that the countries that most resemble the ideal-type universal welfare state model are also the countries that are richest in social capital. Although, as should be obvious from this volume, there are a great number of ways to conceptualize and measure social capital, there is by now overwhelming support for this claim. Both attitudinal measures about social trust and behavioral measures about social activities in formal organizations and informal networks give supports that the Nordic countries are the richest in social capital (Uslaner, 2002; Delhey and Newton, 2005; Kääriäinen and Lehtonen, 2006; Bjørnskov, 2007; Job, 2007). For example, people in the Nordic countries are much more likely than people in other countries to believe that “most other people can be trusted” (You, 2006). According to the 1995-97 World Value Study survey, the average stating that they believe that “most people can be trusted” is 64 percent for the Nordic countries which is almost three times as high as the world average. People in the Nordic countries are also members and active in voluntary associations to a comparatively large extent (Vogel *et al.*, 2003; van Oorschot *et al.*, 2006). Moreover, for the Nordic countries there are no traces of the decline of social capital that has been reported for the United States (Larsen, 2007)

The high level of social capital in the Nordic countries can be seen as puzzling for several reasons. One is that not least in political and policy circles, social capital in the form of social networks and voluntary associations or, with another term, civil society

organizations, has been seen as an alternative to the state (and the market and the family) for “getting things done”. Voluntary organizations come in many forms, from sport clubs and cultural organizations to religious communities and mutual self-help organizations, to name a few. What they all have in common is that they represent an alternative form of organizational logic. It is not authority (or money or kinship) that is driving civil society but cooperation for mutual interests, and such organizations cannot thrive without trust between members and confidence between the rank-and-file and the leaders of these organizations. One could therefore expect that we should see a “crowding out” effect such that the huge expansion of the responsibility of the government that the universal welfare state represents should be detrimental to the development of a vibrant civil society (Ostrom, 2000). Moreover, one could argue that in a society where the government takes on the responsibility for a large number of social needs, people do not have to develop and maintain trusting relations and invest in social network (Wolfe, 1989; Scheepers *et al.*, 2002). However, as stated above, the empirical reality contradicts these expectations. Studies show that social trust is highest in the Nordic countries and that citizens in these countries are among the most active in voluntary associations (van Oorschot and Arts, 2005). Thus, the relation between social capital and the Nordic type of universal welfare state presents us with a real puzzle.

### **Is social capital the cause or the effect of the universal welfare state?**

There can be at least three general explanations for why high levels of social capital and “big government” in the form of universal welfare systems go together. First, both the development and level of social capital in a country may be unrelated to its system of welfare and social policies. This argument would rest on an idea that the social, political and economic trajectories of social capital and the welfare state can live “separate lives”. I consider this is a very unlikely scenario for a number of reasons. First, welfare states are about (different forms of) equality which has been shown to be important for the development of social trust (Uslaner, 2002; Dinesen, 2006; You, 2006). Secondly, the Nordic type of welfare states have historically been closely related to important nation-wide social movements such as the temperance movement, the labour movement, the farmers movement and the free churches to name a few. Historically, there is a direct link between civil society

organizations and the welfare state in these countries going back to the late 19<sup>th</sup> century (Rothstein, 2002; Torpe, 2003; Wollebäck and Selle, 2003).

Thirdly, as will be shown below, citizens' perceptions of "fairness" by government agencies have an impact on social trust and universal social policies contribute to this (Štulhofer, 2004; Kim, 2005; Uslaner, 2008). Finally, the three Scandinavian countries became internationally known for their consensual and collaborative forms of politics that were established during the economic crises of the 1930s, not least when it comes to arranging cooperative patterns of interaction between the major interest organizations and the state around the development of the welfare state.

The second general explanation for the puzzle is that a high level of social capital was necessary for the creation of the universal type of welfare state. In other words, the Nordic countries could build their encompassing system of social policies from the 1930s and onwards because they were already by then rich in social capital (Rothstein, 2005). In this scenario, the universal welfare state is to at least some extent caused by a high level of social capital. A country with a high level of social trust and an active voluntary sector is more likely to produce the kind of policies that are typical of the universal welfare states. This line of reasoning is of course difficult to evaluate since we lack most of the necessary type of data from this period. We have no surveys or systematic comparative studies of the voluntary sector from this period. However, there are patches of data and "stories" that can be used to shed light on this theory and as I will show below, it can to some extent be substantiated (Trägårdh, 2007).

The third general explanation would be that the universal welfare state as such is a source of social capital (Kumlin, 2004). This would imply that either the outcome of what this type of welfare state produces enhances generalized trust and make it more likely that people will be engaged in voluntary associations and/or develop rich informal social networks. Or it could be something in "how it is done" that increases social capital. This latter argument implies that it is not the outcome of the various policies but the specific process of implementation in the universal welfare state that is important for creating social capital.

## **The universal welfare state as a redistributive machine**

The universal welfare state is not only larger in terms of spending than other welfare states, but it is also more redistributive. This is somewhat counterintuitive since one would think that a selective welfare state that “taxes the rich and gives to the poor” would accomplish more redistribution than a universal welfare program that in principle gives the same benefits and services to all groups regardless of their income. However, empirical research gives a clear answer that the Nordic welfare states accomplish more redistribution than other welfare states (Smeeding, 2005). The reason for this is that taxes are usually proportional on a percentage base (or progressive), while benefits and services are nominal. The net effect of this is a considerable redistribution from the rich to the poor, while on average the middle strata breaks even in this system. In fact, before taxes and transfers are taken into account, the Nordic type of economy produces as much economic inequality as the U.S. economy. The “pure (labour-) market logic” in the Nordic countries is thus not particularly prone to equality. The reason why a selective welfare state produces less redistribution seem to be that if the middle class perceives that benefits and services are only going to “other people”, they will not accept a high level of taxation (Rothstein, 2001). It also seem to be the case that services for the poor tend to become “poor services”, while if the middle and upper classes are included, they will demand high quality in, for example, health care, schools and care for the elderly.

## **The universal welfare state as an outcome of social capital**

There are several reasons for why one could consider the universal welfare state as an effect of high levels of social capital. First, since the universal welfare state demands a high level of taxation, citizens must have a reasonable amount of trust that other citizens are willing to pay what they are supposed to. This can of course be accomplished by a draconic type of tax administration, but most research in this field show that brute force will not be enough. Some kind of quasi-voluntary compliance seem to be need for securing that the state can collect enough taxes and one ingredient in this seem to be that the individual citizen come to trust that most other citizens are taking on their share of the tax burden (Levi, 1998; Scholz, 1998).



Without this initial trust in “other people”, one could argue that it had not been possible to finance universal social policies.

A second argument is that at the time of the foundation of the universal welfare policies (mostly from the 1930s and onward), these were countries with hardly any ethnic or religious cleavages (although Finland still has a sizeable Swedish-speaking minority). Mistrust between different ethnic groups did not exist and it is reasonable to think that this would have been favourable for the existence of social trust.

Thirdly, although good comparative data is lacking, most historical research about the history of the Nordic countries underlines the importance of the so-called popular movements that arose during the latter part of the 19<sup>th</sup> century. An important historical research project about the Swedish nineteenth century labelled this period as the “age of the associations.” (Pettersson, 1995). Among these associations, the labour movement, the farmers’ movement, the temperance movement and the free churches, played a very special and important role. The popular mass movements saw themselves as protest movements against the bureaucratic, clerical, aristocratic and capitalist elite who dominated Scandinavia at the turn of the last century. The idea of a “movement” implied that society should be changed and that the vehicle was mass organization from below. As organizations of both protest and self-help, the popular mass movements stood in sharp contrast to the charity organizations dominated by the middle- and upper classes. In the official mythology, the popular mass movements were the major schools of democratic and organizational training, making the transition to democracy a relatively civilized affair in these countries (Lundström and Wijkström, 1997).

The major social conflict during this period in the Nordic countries was of course the tension between the labour movement and the capitalist class. However, what seems to be unique about the Nordic countries (with the notable exception of Finland) is the development of a very close collaboration between the state and the popular mass movements without destroying the autonomy of the latter (Klaussen and Selle, 1996). To illustrate the historical pattern, I will focus on one aspect of the relationship between the state and the labour movement in Sweden. An especially interesting case was the establishment of the National Board for Social Affairs in 1912. According to the commission that prepared the bill, the task of this agency was not primarily poor-relief, a function handled by local authorities, but instead was nothing less than the so-called *labour question*. The commission argued that the problem was concentrated in the cities, where the rapid process of industrialization had led

to a potentially dangerous situation with masses of workers who had become alienated from traditional local communities and other social bonds. In the words of the commission:

The feeling of solidarity that has emerged among the working masses, in itself praiseworthy, is limited to themselves and they do not appear to wish to extend it to the whole society in which they share responsibility and play a part. This obviously poses a national danger, which must be removed in the common interest of everyone. Everywhere the government therefore faces the difficult task of mitigating conflicts of interest and repairing the cracks that are opening in the social structure (cited in Rothstein, 1992, p. 162).

The National Board for Social Affairs was established to handle this problem by implementing reforms in worker safety, labor exchanges and social housing and by overseeing the poor-relief system managed by the local authorities. Its mandate was to handle the labor question, and the preferred method was to *incorporate* representatives from this new and threatening social class into the state machinery. As a result of the commission's proposal, the chairmen of the national trade union conference (the LO) and of the employers' federation (the SAF) were given seats on the board of the agency and, following the corporatist principle, other representatives from the LO and the SAF were given seats on various sub-committees. The commission's argument supporting this arrangement was that the representatives from the organizations

would behave as guardians not only of special interests but also of the interests of everyone, of society as a whole . . . It should certainly be expected that a representative body structured according to these principles, official and thus functioning with a sense of responsibility, should provide valuable support for the new social welfare administration (cited in Rothstein, 1992, p. 164).

Another illustration of this type of state-organized collaboration between the opposing interests can be found for the public employment exchanges. In many continental countries, this issue was hotly disputed because the party that controlled the employment exchanges had

a very important influence in the many local industrial conflicts that were very common during this period. However, in Sweden, the local public employment exchanges were to be governing by a so-called parity principle which meant that half the representatives on the board were taken from the local unions and the other half from the major employers (and the board was to be chaired by an impartial local civil servant). In a report from 1916 to the government regarding the operation of the local employment exchanges, the National Board for Social Affairs declared that “no objection has appeared from any quarter against the organizational principles on which the publicly operated employment exchanges were based”. On the contrary, the board argued that it was these very principles that had made it possible for the system to grow and that had been pivotal for strengthening the confidence their operations enjoyed among both employer organizations and unions, “which in our country have fortunately abstained from utilizing the employment service as a weapon in the social struggle, which in Germany has partially distorted the whole issue of labor exchanges.” The Board also observed that

Despite the sharp social and political conflicts that have emerged in other areas of public life between members of the employer and worker camps, on the boards of the labor exchanges the same persons have, in the experience of the National Board for Social Affairs, continued to cooperate faithfully in the interest of objectivity (cited in Rothstein, 1992, p. 165).

This type of corporatist relations spread quickly to other areas of the Swedish state and came to dominate the political culture of the Swedish model. It should also be noted that in Sweden, this pattern of interest accommodation was established before parliamentary democracy was enacted. Almost all areas of political intervention in the labour market (for example, workers pensions, accident compensation and the implementation of the eight-hour working day) were to be governed according to the collaborative principles. Moreover, in addition to how the labour movement was organized into the state, many other voluntary organizations were also incorporated into this pattern of governance. For example, the temperance movement was given the responsibility of handling the government’s propaganda against widespread misuse of alcohol; the farmers’ movement, the responsibility of handling subsidies to farming; small business organizations, the responsibility of implementing

subsidies to support small business; and so on. A qualitative breakthrough came during the Second World War when nearly all parts of the wartime administrations incorporated the major interest organizations of each policy area. The argument that was put forward repeatedly was that this would create trust among the members and followers of the organizations for the process of implementing the policy in question (Rothstein, 1992).

This pattern of close collaboration between the state and the major organizations on the labour market can of course be seen as a contrast to other European countries where these relations ended in bloody conflicts, civil wars and ruthless dictatorships. However, it is noteworthy that in, for example, the Spanish case, recent historical analyses have argued that at late as 1931, the Spanish socialist party “had collaborated with the government, taking a position that put them to the right even of the French Socialists at that time and brought them close to the .... Scandinavian Social Democrats.” It was only a few years later (in 1933-34) that the Spanish socialist party declared that it was going for “a full scale civil war” and put forward paroles such as “Harmony? No! Class War! Hatred of the criminal bourgeoisie to the death!” (Payne, 2004, p. 31).

Why the class conflicts in the Scandinavian countries followed a collaborative and peaceful path is of course open to debate, but it is not unreasonable to point at the establishment of the neo-corporatist structures as described above (Rothstein, 2005). It should be noted that the Nordic countries were not always a peaceful part of the world characterized by collaboration and negotiations. Going back in history, Denmark and Sweden were arch-enemies and fought ten bloody wars between 1471 and 1814. Norway was under Danish rule until 1814 and then under Swedish rule until 1905. Finland had a terrible civil war in 1918 (including the use of concentration camps and organized killings of innocent civilians) and quite some social unrest in the 1930s. What was special with the Scandinavian countries is that the system of neo-corporatism that was established early in the 20<sup>th</sup> century proved to be a successful way to build trustful relations between the opposing factions in society which in its turn paved the way for the establishment of the universal welfare state.

## **The universal welfare state as a producer of social capital**

The other possible explanation for the “Nordic puzzle” may be that a universal welfare state creates social trust and social capital. One such reason may have to do with outcomes. Several recent studies show that economic inequality is detrimental to the development of social capital (Uslaner, 2002; Kääriäinen and Lehtonen, 2006; You, 2006). The logic for this would be that in societies with high levels of economic inequality and with few (or inefficient) policies in place for increasing equality of opportunity, there is less concern for people of different backgrounds. The rich and the poor in a country with a highly unequal distribution of wealth, such as Brazil, may live next to each other, but their lives do not intersect. Their children attend different schools, they use different health care services. and in many cases, the poor can not afford either of these services. The rich are protected by both the police and private guards, while the poor see these as their natural enemies. In such societies, neither the rich nor the poor have a sense of shared fate with the other. Instead they are likely to fear and/or despise each other (Rothstein and Uslaner, 2005; Larsen, 2007).

One special feature of the universal welfare state is that the very universality of social services and benefits (including education) may increase not only economic equality but also the sense of equality of opportunity. Since optimism for the future is one key determinant of social trust, this makes less sense when there is more economic inequality. Moreover, the less fortunate have fewer reasons to be optimistic about their (or their children’s) future if they sense that society is not giving them equality of opportunity. People at the bottom of the income distribution, or minorities that feel discriminated against will be less sanguine that they too share in society’s bounty (Uslaner, 2002).

Second, the distribution of resources and opportunities plays a key role in establishing the belief that people share a common destiny and have similar fundamental values. When resources and opportunities are distributed more equally, people are more likely to perceive a common stake with others and to see themselves as part of a larger social order. If there is a strong skew in wealth or in the possibilities to improve one’s stake in life, people at each end may feel that they have little in common with others. In highly unequal societies, people are likely to stick with their own kind. Perceptions of injustice will reinforce negative stereotypes of other groups, making social trust and accommodation more difficult.

The importance of economic equality from the literature on social capital was until recently not on the agenda which, given what the data show, is something of a mystery. For example, while Robert Putnam points at the importance of economic inequality in his analysis of the decline of social capital in the United States, it is not mentioned in his conclusion about “what killed civic engagement?” Moreover, among the seven policy prescriptions for increasing social capital in the U.S. that he presents, none touches upon increasing any form of equality (Putnam, 2000, 359ff and ch. 15 and 22). This is all the more surprising since the decline of social capital that Putnam finds in the United States since the 1970s seems to be suspiciously related in time to a dramatic increase in economic inequality (Neckerman, 2004).

The same strange omission can be seen in the Russell Sage Foundation’s large project on trust: Among the 51 chapters in the four edited volumes, none is about economic inequality and none of the volumes has an index entry on equality or inequality. (Hardin, 1998; Ostrom and Walker, 2003; Hardin, 2004; Cook *et al.*, 2005) The same goes for the three monographs that this project has produced (Hardin, 2002; Huo and Tyler, 2002; Cook *et al.*, 2005). While political scientists and sociologists largely have neglected the importance of equality for creating social trust, economists have been more interested. Stephen Knack and Paul Zak at the World Bank have concluded that redistribution is one important policy option for governments to increase social trust. However, in a way that seems mandatory for economists, they add that they worry about the economic inefficiencies that they believe can be caused by such redistribution (Knack and Zak, 2002).

The second major reason for why a universal welfare state may generate social trust has to do with procedural fairness. The problem with means-testing from the perspective of procedural justice is that it places great demands both on public employees and on citizens seeking assistance. The public employee must actively interpret a general body of regulations and apply them to each individual seeking to qualify for a public service. The difficulty is that the regulations are seldom so exact that they provide completely unambiguous direction as to what is the right decision in an individual case. As Michael Lipsky shows in *Street-Level Bureaucracy*, “grassroots bureaucrats” must develop their own practice in interpreting the regulations in order to deal with this difficulty. This interpretive practice is frequently informal and less explicit in nature and, consequently, the bureaucracies applying the needs tests are easily suspected of using “*prejudice, stereotype, and ignorance as a basis for determination*” (Lipsky, 1980, p. 69). In other words, a program based on needs-testing implies a great scope for bureaucratic discretion. The citizen, for her part, has an incentive and opportunity in this situation to withhold relevant information from the bureaucrat and to

try in various ways to convince the latter that she should qualify for the service in question. This easily escalates into a vicious spiral of distrust from the client, leading to increasing control from the bureaucrat (who, moreover, is equipped with a large amount of discretion) that in its turn results in still more distrust from the client, and so on.

Because of these complex and controversial decision-making processes, needs testing and bureaucratic discretionary power are often more difficult to reconcile with principles of procedural justice, compared with universal public services. Since selective welfare institutions must test each case individually, they are to a greater extent subject to the suspicion of cheating, arbitrariness and discrimination, compared with universal public agencies (Rothstein, 1998).

Another problem is that selective welfare programs often stigmatize recipients as “welfare clients”. They demarcate the rich and the poor and those at the bottom are made to feel that they are less worthy, not least because of the bureaucratic intrusion felt in the process of implementation. Universal programs are connected to citizens’ rights, while selective welfare programs have trouble with legitimacy because they have to single out the “deserving” from the “non-deserving poor”. This will always imply discretionary decisions by street-level bureaucrats who may intrude on the personal integrity of clients (Soss, 2000). Denigrating recipients of means-tested government programs leads to social strains in two ways: The poor feel isolated and feel that others deem them unworthy. The denigration of welfare recipients feeds on public perceptions that the poor truly are responsible for their own poverty. Neither side sees a shared fate with the other. In contrast, universal programs do not cast aspersions on the responsibility of benefits and thus do not destroy trust. When they work well, they can even help to create trust by increasing feelings of equal treatment and equality of opportunity (Rothstein and Uslaner, 2005).

## **Conclusion**

Historical macro-level explanations in the social sciences are difficult things. There are good arguments both for the idea that the Nordic type welfare state is an effect of a initially high level of social capital or that it is cause for the high level of social capital. To solve this question is in all likelihood a “hard case” (Stolle, 2003). However, one could think that it is a combination of both approaches that explains the high level of social capital in the Nordic

welfare states. Following this line of reasoning, sequencing and so called “feed-back” mechanism between the variables set societies onto different (vicious or virtuous) circles that can be understood as paths from which it is difficult to deviate. One could think of this development in the following way: Initially the Nordic societies had a stock of social capital that was not much higher than in other comparable countries, but it was high enough to create a small set of universal policies which in its turn increased the level of social capital so that in the next sequence it was possible to enact new or broaden the existing universal social policies, that served to further increase the level of social trust, and so on. However, it can also be the case that this path did not start out with an initially “more than average” level of social capital but with a “top-down” construction of some kind of universal social insurance policy that started this process. In any case, the explanation for why these societies are nowadays rich in social capital would be that at some “formative moment” or “critical juncture” they managed to set in motion a process in which universal social policy institutions and social capital became mutually reinforcing entities.



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