Funding the Future

Article URL

Published: January 12, 2026, 6:08 pm

As part of my work on capital, which in turn contributes to my thinking on the politics of care, and how it must be defined, I have posted this new glossary entry on social capital, which is an addition to the entries already made on capital and capital maintenance concepts.

Social capital is the stock of institutions, relationships, norms and shared understandings that enable cooperation, trust and collective economic activity.

It includes:

* public institutions,
* democratic systems,
* legal frameworks,
* administrative competence,
* social cohesion, and
* shared expectations of fairness and reciprocity.

Social capital underpins all economic activity.

Markets require trust, enforceable contracts and legitimate authority.

Money requires collective belief and institutional backing.

Investment requires stability, predictability and social consent.

Where social capital is strong, economies are more resilient, adaptive and inclusive.

Social capital is depleted by:

* inequality,
* corruption,
* exclusion,
* privatisation of public purpose, and
* the erosion of democratic accountability.

These processes weaken economic coordination and legitimacy, even when they

appear to increase short-term efficiency or profitability.

Maintaining social capital requires sustained investment in:

* public institutions,
* representation,
* transparency,
* fairness,
* and shared purpose.

When social capital is run down, economic activity becomes increasingly extractive, coercive and unstable, relying on enforcement rather than consent and producing diminishing returns over time.

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