Harnessing a Thousand Points of Light: The Need for Social Capital in
Public Policy
By Daniel P. Aldrich and Matthew Marr

Across the globe, governments are facing tremendous budget pressures at precisely the time that unemployment, poverty, and other social problems are again on the rise. According to the World Bank, a billion people around the world live beneath the poverty line, and developed nations are no exception. Some 600,000 Americans live on the streets and in shelters and 16% of Japanese struggle in poverty. On top of these structural problems exacerbated by banking and mortgage and loan failures, an increasing number of disasters –earthquakes, flooding, cyclones, and hurricanes – have created even greater demand for social assistance. How can decision makers handle these kinds of pressures with even less money?

Our research in Japan and the United States has shown us the power of the relationships that tie individuals to each other – a resource called "social capital." Social capital helps mobilize people to act collectively, provides informal intra-group support, and makes people more likely to improve difficult situations rather than flee them. By working to strengthen and promote social networks, governments can harness these "thousand points of light" to enhance the effectiveness of public policies, whether fighting fires during the 1995 Kobe earthquake or finding stable homes for people experiencing homelessness in Los Angeles.

While many communities often have goals and targets, it is difficult to motivate residents to work together when they could instead sit back and free-ride on someone else's effort. Apathy is reflected in low voter turnout for elections, the number of group members who only write checks as opposed to showing up to meetings, and difficulties in motivating people to spend time on communal activities such as Neighborhood Watch. In neighborhoods with strong social ties, though, residents pull together because they trust each other and expect to keep working together in the future. The neighborhood known as Village De L'Est in the northeastern section of New Orleans, displayed tremendous resilience following the flooding of their area and 80 percent of the city. At a time when most residents of the Big Easy were contemplating their futures from temporary shelters far from the city, citizens in Village De L'Est wanted to return to their homes, but the power lines were down and transmission of electricity had stopped. Local residents quickly organized hundreds of signatures to get the power company – known as Entergy - to turn back on their power within days of their return. Their hundreds of signatures caused Entergy to turn the power back on at a time when most New Orleans residents were living in temporary shelters elsewhere. Rather than waiting for someone else to handle the problem, these residents in Village De L'Est quickly mobilized en masse – an outcome other neighborhoods were not able to replicate for months, if not years.

Most of us are familiar with standard insurance programs in which we pay money to corporations in expectation of getting something back when we crash our car or get sick. But the premium for informal insurance is the energy invested in neighborhood relationships. When neighbors spend time and effort working and playing together, they can draw on these ties for expertise, shelter, tools, and assistance when times are tough.. Sanyuukai (山友会), a non-profit organization in Tokyo, has built on that kind of relationship of trust through its free medical clinic. Located in the San'ya district, it serves a clientele primarily made up of former

construction day laborers, persons enduring life on the streets, and single elderly men living on welfare. The small core of dedicated staff is supported by a large number of volunteers, including men and women of varying ages and nationalities from outside San'ya and many men living in and around the neighborhood. Thus Sanyuukai serves not only as a clinic meeting the medical needs of the underserved, but as a community where diverse groups come together. So, when single elderly residents of San'ya face a health, economic, or personal crisis, or simply need to know how to submit a form to the welfare office, they know to go to Sanyuukai. Alternatively, from the unique camaraderie built at Sanyuukai, volunteers from outside San'ya can learn about the geographic, generational, and cultural diversity within Japan, receive practical advice from their elders like how to stretch the life of a rice ball by mixing in *umeboshi* paste, or simply share a laugh.

Finally, strong social ties between people make them less likely to leave a disaster site and try to start over elsewhere. Residents who are tied in to the neighborhood, and feel connected to their neighbors, schools, and local businesses, will do everything in their power to help improve the local conditions. After the 1995 Hanshin Awaji Daishinsai, many Kobe residents expressed a strong desire to return to their old neighborhoods and rebuild their homes and social networks. Older residents – many of whom had been moved to temporary or permanent housing in suburbs of the city – told city officials and researchers that they strongly wanted to return even to the most damaged neighborhoods. This motivation, we believe, was driven by their strong emotional and social connections to their neighbors, friends, and local businesses.

What can policy makers do to more effectively leverage existing social capital and build new stocks of it? First, they can customize aid programs, from combating homelessness to mitigating against flooding to combating organized crime, that take seriously the role of local voluntary and nonprofit organizations, whether unions, synagogues, PTAs, or bocce ball clubs. Rather than ignoring these networks, governments can seek to bring them into policy making and implementation. One example of this is the Personal Supporter (PS) Service program piloted last fall in cities across Japan. Personal Supporters, many from NPOs, have in-depth knowledge of job search resources, welfare programs, medical facilities and other vital community organizations and resources. They are matched with unemployed and socially isolated young adults. The savvy workers not only help clients navigate complex and disparate systems of assistance, but can also provide emotional support to disadvantaged young persons with little hope.

Next, governments can create incentives for neighbors to come together – through block parties, festivals, holiday parades, sports events, or through other kinds of rewards. One program that has proved successful at building trust and local ties in U.S. locales such as Ithaca, Palo Alto, and Tampa and in Japanese ones such as Nagano, Ehime Prefecture, and Sanjo City has been community currencies. Volunteers in these programs received "scrip," a form of payment exchangeable only through local merchants, mom and pop stores, farmers' markets, and the like. Another social-capital based approach that has proved effective for addressing homelessness is the "housing-first" model that has been implemented in cities across the U.S. and Japan This approach is sensitive to the role of trust in social service delivery. Rather than placing persons in crowded and disciplinary shelters, this model quickly provides subsidized housing and supportive services in a holistic and flexible manner—promoting tight and trusting bonds

between staff of nonprofit organizations and their clients.

With long-term trends towards tighter budgets, social capital-based public policies may be the kick start that we need to improve the conditions in our communities during these challenging times.

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