

**Maintaining Social Ties:
Social Capital in a Global Information Age**

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Abstract

Recent research has documented that social and economic relations remain strikingly local, especially when viewed in the light of many discussions of globalization. The main evidence for this is that the density of social and economic exchanges declines far more with distance, and with the crossing of national borders, than could possibly be explained by transportation and border-related costs. One hypothesis explaining this localization in the face of global information is that social capital – “networks, together with shared norms, values and understandings that facilitate co-operation within and among groups” (OECD 2001, 41) - both supports and is supported by frequent interactions. There is less available empirical evidence about how the various types of local, civic, regional, national and international social capital are created and destroyed, and how the different types of social capital are related to one another. This paper surveys evidence suggesting that the relations among social capital of different types, and of different radii, are complementary rather than competitive. If these results should turn out to be generally applicable, they suggest, in an optimistic vein, that adding social capital of types needed to better support international and global cooperation can be done without threatening the nature and value of more local loyalties. On a more pessimistic note, there is an increasing body of evidence showing that social capital, and the trust engendered by the right types of social capital, is more quickly destroyed than created. This asymmetry suggests the need for thinking ahead to avoid heedless destruction of trust that would be hard to rebuild.

1. Introduction

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Saskia Sassen (2003) has emphasized that notions of citizenship are historically and locally embedded, and while governance, and many aspects of citizen loyalty, remain largely national in scope, globalization has been occurring chiefly through the alignment of national policies to suit the needs of international and global enterprises. She sees similar potential for more citizen-based actions at a global level, although for a number of reasons this potential is still relatively undeveloped. In her analysis, she emphasizes the importance of focussing more on behaviour than on the structure of constitutions and laws. In many respects her methods, conclusions and advice are even more applicable to the case of social capital, where the relevant norms and networks are defined by history, custom and behaviour rather than by laws and formal institutions.

This paper starts with a review of the evidence on the continuing local and national nature of economic and social relations. This is followed by two sections on international and global aspects of social capital. The first of these sections deals with the challenges and opportunities that international migration poses for the structure and consequences of social capital, and the second with other means of generating global social capital, including the internet and other distance-transforming means of information transfer.

2. The Surprising Strength of Local and National Spaces

I shared the surprise of most social scientists at McCallum's (1995) discovery that merchandise trading relations among Canadian provinces in 1988 were more than twenty times as intense as those between Canadian provinces and US states, after making due allowance for the effects of size and distance. The results were calculated in the first instance using a bilateral version of the gravity equation, wherein trade relations depend positively on the size of the two trading partners and negatively on the distance separating the two partners. In Newton's version, the force of gravity depends is proportional to the product of the masses divided by the distance between them. For most economic models of trade, the size of the flows does tend in both theory and empirical results to rise more or less proportionately with the product of the size of the two trading partners, but there is no theoretical reason for the intensity of trade to fall proportionately

with distance. Indeed, in most trade models the intensity should fall only at the rate dictated by transport costs. But the actual decay of trading intensities is often estimated to be larger than the proportionate increase in distance, far more than can be accounted for by transport costs (Grossman 1997). If the decay in trade intensities with distance were entirely attributed to transport costs, the costs of transporting goods would have to consume a large fraction of a country's GDP, greater by an order of magnitude than are actual transport costs (Balistreri and Hillberry 2001).

Measured in terms of distance equivalents, border effects of the size estimated by McCallum are equal to 15000 kilometres, even though, as already noted, the distance effects themselves are very large. Subsequent estimates of the border effects for Canada and other countries have produced lower but still large estimates. Anderson and van Wincoop (2001a) have shown that embedding bilateral trade equations in a multilateral trading context implies that border effects are greater for smaller economies than for their larger neighbours. The relation between country size and border effects is confirmed empirically for European countries by Chen (2003). The Anderson and van Wincoop estimate for 1993 border effects for merchandise trade is 10.5 for Canada and 2.6 for the United States. Their estimate for Canada is lower than McCallum's in part because the Canada-US Free Trade Agreement came into effect between 1988 and 1993, increasing north-south trade by 70% relative to what would have been expected from the growth of output in the two countries (Helliwell, Lee and Messinger 1999). It is also lower because of their explicit allowance for multilateral trading opportunities. Evidence for other countries is harder to come by than for Canada and the United States, as only for Canada have comparable data been developed for interprovincial and for province-state trade. To get estimates for other countries, it is necessary to develop approximate measures for internal trade distances and volumes; subject to these constraints, the evidence suggests that for all the industrial countries these border effects for the United States are consistent with those of Anderson and van Wincoop in being larger than their estimate for the United States, the largest economy, and often larger than for their estimate for Canada (Helliwell 1998, chapter 3; Chen 2003). Studies of border effects by industry show them to be large for almost all industries, and not adequately explained

by tariffs or non-tariff trade barriers (Chen 2003, Head and Mayer 2000).

The strong separation of national and local markets is not limited to merchandise trade. Border effects are even larger for services (Helliwell 1998, chapter 2). Engel and Rogers (1996) find price changes for both goods and services are less correlated for cities that are farther apart, and hardly correlated at all for city-pairs on opposite sides of the Canada-US border. International capital movements have also been found to be much less fluid across national borders (Feldstein and Horioka 1980, Helliwell and McKittrick 1999, Obstfeld and Rogoff 2000).

Moving closer to variables linked more closely to the creation and maintenance of social capital, a much earlier study showed the density of telephone calls to fall dramatically across the Canada-US border, once again after using the gravity model to adjust for the effects of size, distance, and language (Mackay 1958). The transfer of knowledge based on research and development and patenting activity has been shown to decline significantly with distance and with the crossing of international borders (Keller 2002). Census records for the United States and Canada show that Canadian residents not born in their current province of residence are 100 times more likely to have been born in another province than in a US state of similar size and distance (Helliwell 1998, chapter 5). Even though southbound migration of the Canadian-born has for more than a century been three times more likely than north-bound migration of those born in the United States, studies of the current locations of more than 50,000 graduates of the University of British Columbia show them to be far more likely to live in British Columbia than elsewhere, and far more likely to be living elsewhere in Canada than in a US state of similar size and distance (Helliwell and Helliwell 2000, 2001). The migration patterns of UBC degree holders also mimic the aggregate census data in showing a downward trend over more than a half century in the likelihood of degree holders to have moved from Canada to the United States. This remains true for all degrees, although geographic and international mobility grows systematically with advanced degrees, reflecting the increasingly international scope of study and employment as specialization increases, especially at the PhD level. At the PhD level the student intake is also much more international, for the same reasons.

Although there are now many studies documenting the large effects of distance and national borders on the tightness of market and social linkages, there is much less theory and evidence explaining the causes and consequences of this spatial and national separation. One recent strand of economic research has suggested that the use of a common currency is an important part of the story, explaining, by one estimate (Rose 2000), up to a three-fold increase in the density of international trade linkages. However, trade data following the abandonment of the UK pound by the Republic of Ireland showed no diminution of trade intensities (Thom and Walsh 2002). Similarly, there has as yet been no significant increase in trade intensity among the Euro-using EU nations compared to that between non-Euro and Euro-using members of the EU. Thus the high trade intensities among common currency users in the global sample, which mainly include small dependencies using the currency of a much larger neighbour, probably reflect not the common currency as such but rather a set of historical ties that have led to a variety of closer economic and social linkages, including higher trade intensities and the use of a common currency. I would hypothesize that a large part of these co-determined economic and social linkages would, if fully analyzed, prove to be supporting, and supported by, tighter networks of social capital.

In general, greater tightness of local and national networks is likely to depend on a whole range of norms and institutions being more similar and more trusted than those extending further afield and into other nations. If this is the case, and if this enables local producers to better understand and meet the preferences of local consumers, whether of baked goods, beer, stories or music, the separation of space in this way may well represent an effective way for individuals, firms and societies to get on with their lives. Alternatively, there are theoretical models of international trade (e.g. Anderson and van Wincoop 2001b) that assume border effects to be caused by policy barriers, which then stop consumers from getting adequate access to global products. In this setup, if consumers are assumed to value variety, and to take it to be proportional to GDP, as suggested by some versions of the gravity model, then border effects are bad for economic welfare. In this setup, anything that served to further globalize international trade would raise

welfare. However, the available evidence does not seem to me to support this interpretation of either the causes or the consequences of border effects. If border effects are damaging to either economic efficiency or some broader measure of welfare then those living in larger nations should be systematically more productive, or, alternatively, be more happy with their lot, for any given level of income. However, there is no systematic tendency for per capita incomes to be higher in larger industrial countries. More importantly, in the light of the hypothesis that those living in smaller countries are constrained in their choices, levels of subjective well-being are highest in the smaller countries of northern Europe, and not in the larger nations. This would imply, as suggested by psychological studies (e.g. Iyengar and Lepper 1999), that once product variety passes some fairly modest level it starts to hinder rather than increase consumer welfare. If local producers also have an edge in seeing and responding to local tastes, then there would be no puzzle in finding that those living in small countries are as well off in narrow economic terms, and in general better off in subjective well-being, than those living in larger nations.

Local and national social capital is therefore likely to support the localization of production and distribution in ways that may well be best for all concerned. It is certainly a hypothesis with equal or greater appeal than the frequently assumed economic model wherein information is free, networks are assumed to be costless and far-flung, and consumers are happiest if they are consuming the greatest possible variety of goods and services.

If local and national norms and networks - social capital – underlie the diversity of local and national markets and societies, are there likely to be implications also for questions of governance? Two strands of recent research results on subjective well-being suggest that this is so. Recent analysis of differences in subjective well-being among Swiss cantons (Frey and Stutzer 2000, 2002) suggests that those living in cantons with more frequent and direct direction from their voters have higher levels of subjective well-being. More generally, analysis of subjective well-being data from several waves of the European and World Values Survey show that the quality of government, as measured by an average of many measures assembled by World Bank researchers (Kaufmann et al 1999a, 1999b) show the strongest effects of any of the

national-level variables used to explain differences in subjective well-being among more than 100,000 respondents in over fifty countries and over twenty years. These effects of the quality of government on well-being are above and beyond the effects flowing through better education, higher incomes, and better health, all of which are themselves dependent on the quality of government (Helliwell 2002b). The data on the quality of government embody a number of components that flow quite directly from high levels of social capital, e.g. trust in government and absence of corruption and other evidence of exploitive behaviour. Putnam's path-breaking research on democracy in modern Italy (Putnam 1993) showed quite clearly that there were large differences in the effectiveness of government among the regions of Italy, and that these were correlated closely with differences in several measures of social capital. His results, which documented closely the more effective way in which devolved powers were employed in regions with high social capital, have been found echoes in subsequent research in many countries. Even in Italy, subsequent earthquakes, which have been distributed widely across Italian regions with very different levels of social capital, have shown that self-organizing relief and recovery efforts have been far faster and more effective in those regions with higher social capital, and centrally provided relief funds have more quickly and equitably been used to support the repair efforts.

These strands of research suggest that local and national separation applies as much to social capital and quality of governance as to the other aspects of life surveyed previously. There are large and sustained inter-regional and international differences in the nature and quality of governance, and in some sense each region or nation gets the quality of governance that its social capital supports. When Grjebine (2000) complained about holiday road carnage being so much higher in France than in Norway, he attributed the difference to a higher sense of mutual respect among drivers in Norway, what he called a greater a level of acceptance of the social contract. I subsequently found that one can explain more than one-third of the variance in traffic fatalities among OECD countries by differences among national average levels of interpersonal trust, a reasonable measure of the extent to which people might feel that traffic and other norms are reliably accepted by other drivers (Helliwell 2000, 34). In some sense, international differences in traffic fatalities, which in all industrial countries share a strong downward trend related to some

combination of better equipment, better roads, and higher safety standards for motor vehicle construction and use, provide another measure of the quality of governance that citizens provide for each other, in this case by their design and acceptance of agreed rules of the road.

Harking back to the notion that nations and more local communities differ in the structure and amount of social capital, there is some evidence that smaller countries, and perhaps countries with federal or other devolved structures of responsibilities, are better placed to develop and deliver government that matches citizen preferences and attracts widespread support. Evidence for this is in the ranking for the World Bank quality of government measures, as the leader board is filled mainly by smaller countries in Northern Europe, with Finland and Switzerland currently modestly in the lead, followed very closely by the Netherlands. In terms of the component indices, Finland does especially well in the absence of corruption, and Switzerland in governmental effectiveness, while the Netherlands scores well on all measures.

3. Migration and Social Capital

The previous section has presented a whole range of evidence that norms and networks, and the patterns of social, political and economic activity that they support are surprisingly local. But do the networks inhere in the geography, local institutions, or the individuals living there? This might be an impossible puzzle to unravel if migration were not so varied and so well documented. In part because migration is a relatively rare event, and because the nation state is above all a geographic entity, most countries keep fairly good census and other data on at least the birthplaces and nationalities of their residents. Likewise, many of the surveys that measure social capital also obtain a sufficient range of demographic information to separate those with different migration histories. Even if the survey only collects the individual's place of residence, then census data can be used to construct demographically rich descriptions of the communities in which they live. Thus it is now feasible to learn much more about how social capital is affected by migration, and by the changes in community structures that are thereby created. The relevant data and research are in their early days, but it is perhaps worth noting some of the preliminary strands of evidence to help direct future data collection and research.

Even before approaching the evidence, one can be sure that the relations between social capital and migration are bound to be complex and uncertain. There is enough history of forced migrations, racial and ethnic persecutions, and turmoil among and within immigrant groups, especially in troubled inner cities, to ensure that migrations take all forms and are likely to have a wide variety of consequences for the social capital of the sending and receiving communities and nations. To over-simplify enormously, migration creates both challenges and opportunities for the development and maintenance of social capital, while the quality and nature of a community's social capital will largely determine the success of migration, seen from the points of view of both existing and new members of the community.

Linking this section to the previous one are the empirical results showing that countries becoming larger sources of migration to Canada thereafter have tighter trading links with Canada than existed before the migration (Head and Ries 1998). This suggests that some migrants use their market knowledge and networks in the source country to develop trade and investment opportunities in Canada. The results show trade increases that are larger and more significant for Canadian imports than exports, suggesting that some or all of the effect may be due to continued tastes for source-country goods and services not previously available in Canada. More closely linked to the global information society theme of this conference is the finding of Devesh Kapur (2001) that development of extensive trade in computer services between Silicon Valley and India depended heavily on 'reputational intermediation' provided by recent migrants from India to Silicon Valley. These migrants, with established trust and networks in both communities, were able to provide a vital missing link to establish new globe-spanning networks that permit Bangalore to solve problems while Silicon Valley sleeps. Although global shift work may be a useful time saver, cost differences provide the basic rationale for this new trade in services, and trust-providing migrant networks make them credible.

How do these examples of migrant-driven trade creation alter the general conclusions made previously about the preponderantly local and national nature of economic and social ties? Thus

far, the volumes of such trade are very small; large enough to be statistically significant, and to show causal links, but not enough to materially affect the overall volumes flowing in national and international channels. One additional feature of migrant-driven trade networks is worth noting: they open up international trade possibilities for small firms as much or even more than for large firms, permitting an international version of the small-scale trust-based networks of family enterprises that were the core of the successful textile and clothing districts of Northern Italy.

If migration creates new types of border-spanning social capital, what are its effects on the more usually measured features of social capital in the receiving communities? Here, the evidence is more mixed, and the stories are varied and complicated. Race riots in the United Kingdom have sometimes pitted one immigrant group against another, and in general have involved competitions of various sorts between immigrants and other groups. Surveys employing the long-standing interpersonal trust question have found people to be generally less trusting in communities where mobility is high, where population density is great, where ethnic diversity is greater, and where immigrant densities are higher. None of these findings is especially surprising, since social capital takes time to build, and its maintenance is supported by familiarity and repeated contacts. What is important for research and policy-makers alike is to discover the characteristics of communities and policies that make migration more successful for both the migrants and the receiving communities.

When considering the effects of migration on social capital, and vice-versa, reference is often made to the distinction between bonding and bridging types, with the former tending “to reinforce exclusive identities and homogeneous groups” (Putnam 2000, 22), and the latter tending to generate “broader identities and reciprocity” (Putnam 2000, 23). Bonding social capital is taken to underlie the fact the immigrant pathways are often very specific, to such an extent that small neighbourhoods in Toronto can contain as many migrants from an Italian village as are left in the original village. The noteworthy point here is not the scale of the migration but the fact that later migrants tend to follow the pathways established by their own neighbours and kin (Fischer

1989), right down to the travel agents who book their flights, the streets on which they live, and the jobs where they work.

Does the fact that migrants carry and make use of bonding social capital make it less easy for them to accept and be accepted by their new communities? There has long been a supposition that the us-them distinctions that in part define bonding social capital might make it more difficult to create bridging social capital of the types most likely to facilitate mutual acceptance of and by migrants as they settle in their new communities and nations. Evidence to support this proposition, beyond noting that the Ku Klux Klan must have been a bad thing for building bridging social capital in the Southern US states in the middle of the last century, has been hard to find. For example, when Knack and Keefer separated organizations into bonding and bridging types, they expected to find, according to the hypothesis of Olson, that higher participation rates in bonding-type organizations would lead to slower growth, when compared to memberships in bridging-type organizations. They found no significant differences. Similarly, when Fennema and Tillie (1999) compared different immigrant groups in Amsterdam, they found that those groups with more associations of a bonding nature also had stronger bridging ties to the larger community, and were more rather than less well integrated into the broader social and political life of the Netherlands.

If, as this evidence suggests, bonding associations are complementary rather than competing with bridging ties, it raises big questions about the nature of citizenship and of nationality in the 21st century. Should immigrants be encouraged to assimilate, or instead merely to integrate? Is there a contrast between a melting pot and a multi-cultural society; if so, which is to be preferred, and why? I first became engaged in this sort of question when I began comparing data on several measures of social capital in US states and Canadian provinces. I first found that those whose ethnic self-descriptions included a hyphen (as distinct from a description that said, e.g. 'Canadian only' or 'Canadian first and foremost') are systematically less trusting. This was unsurprising to me, and it seemed reasonable that those who describe themselves with a hyphen might therefore be more inclined to think of the world in an 'us vs them', and to be less trusting of people in

generally, and especially of those outside the bond.

What I was more surprised to find was that those who described themselves without a hyphen were twice as numerous in officially multicultural Canada as in the US melting pot. When I asked other social scientists if this posed a puzzle needing explanation, they replied that if it was a puzzle it had already been recognized and explained. Heath (1997) makes a distinction between integrative and assimilationist notions of citizenship, arguing that the former provides a more effective means of welcoming immigrants into the national society, and is more attractive to immigrants in not requiring them to choose between their ethnic bonds and their broader bridges to their new compatriots. By providing a more attractive set of images, and a more welcoming environment, the argument runs, this more inclusive but less homogenizing vision of citizenship is more attractive to immigrants. They are therefore more likely to define themselves as unhyphenated citizens. Hence Heath was unsurprised to hear that twice as many Canadian as US respondents did not use a hyphen, since it was consistent with the evidence reported in Brubaker (1989, 118) that Canada has had a rate of voluntary naturalization more than twice as high as any other immigrant nation, including the United States. This does not refer to the rate of immigration, which is twice as high in Canada as in the United States, but to the proportion of legal immigrants who take up citizenship when they become entitled to do so. Since this typically involves no additional rights beyond the right to vote, this decision is regarded as an indicator of social capital at the national level, especially as voting is regarded as a bell-weather marker for civic engagement. Kymlicka (1998) argues that this integrative notion of citizenship, by accepting ethnic identities in the context of a broader web of social inclusion is not only popular with migrants but is productive of better relations among all ethnic groups. For example, he cites 1997 survey evidence (Kymlicka 1998, 21) that the proportion of respondents who agree that 'different ethnic groups get along well here' is much higher in Canada (75 per cent) than in countries with more emphasis on cultural assimilation, such as the United States (58 per cent) and France (51 per cent).

Even though the Canadian model of citizenship appears to be more accepting of immigrants,

recent survey evidence nonetheless shows that immigrants appear to be less trusting than other Canadians, after accounting for differences in income, marital status and other variables used to explain differences in beliefs about the extent to which other people can be trusted (Soroka, Helliwell, and Johnston 2003). One hypothesis for this difference was tested by Rice and Feldman (1997), who showed that differences among US states in average survey measures of trust were significantly explained by the correspondingly measured average levels of trust in the European countries in which their parents had been born. If it were true that recent Canadian immigrants had come from countries with significantly lower levels of trust than are found among the Canadian-born, then that might help to explain the lower average trust found among immigrants. So a variable was constructed containing the average trust level in each respondent's country of birth. The variable obtained a significant positive coefficient, and the negative immigrant effect vanished.

Another more puzzling aspect of the Rice and Feldman results was also tested with the Canadian data. They found that the footprint from imported trust was found not just among those whose parents had been born in another country but also, in undiminished size, among those whose grandparents, rather than parents, had been born in Europe. This implies a very strong adherence to beliefs brought over by one's predecessors. The Canadian data, by contrast, show no significant effect from the country of birth of the respondent's parents, thus suggesting that after one generation in Canada descendants of immigrants generally share national-average experiences and judgements about the extent to which others can be trusted. In a situation where an increasing proportion of migration is from low trust societies, there is an obvious advantage to relatively rapid acceptance of national norms, since those who do not think others can be trusted are less likely to become well involved in their communities. The contrast between the Canadian and US results also suggests that maintaining ethnic distinctiveness within immigrant groups does not slow down the extent to which the immigrants learn about and respond to the norms of behaviour in their new communities. This is consistent with the contention of Heath, Kymlicka and others that a model of citizenship that combines diversity and inclusiveness may be attractive enough to immigrants that they embrace it more quickly and fully than they might have adapted

to life in a country in which citizenship presupposes a higher degree of cultural conformity.

Does this sound too good to be true? Could it really be possible, by treating tolerance rather than conformity as the objective, that immigration could be turned that much more easily to the greater benefit of immigrants and their new countries? That is at least a plausible conclusion from these Canadian results, and less directly from the Amsterdam results from Fennema and Tillie (1999). Given the number of occasions and places where immigration has been a painful experience, and the likelihood of increased international migration to and among the major cities of the world, the possibility that alternative models of citizenship might help maintain and generate social capital seems to demand further investigation.

4. International and Global Social Capital

The previous section considered social capital transported by migrants, and the international networks that result. But there are many other types of international and global social capital. These include personal networks that cross borders, whether based on friendship, family, employment or involvement in other organizations with international or global interests. There are also business networks, including the operations of multinational enterprises, contractual or other commercial networks, and the operations of international business organizations. International criminal networks are usually considered separately, even though their main purposes may be related to business activities. These include inherently international activities, such as smuggling of drugs, prostitutes and would-be migrants, international money laundering and tax evasion, as well as multinational organizations controlling what are essentially domestic criminal activities in many countries.

Rounding out the list is a range of non-profit organizations, ranging across wide spectrum of governance, financing and purposes. Intergovernmental organizations, starting with those of global reach, include the United Nations, the Bretton Woods triplets (the World Bank, the International Monetary Fund, and the GATT, finally becoming, as originally envisaged, the World Trade Organization). There are also many intergovernmental agencies of more specialized

or regional form, such as the International Air Transport Authority (IATA) and the Organization for Economic Cooperation and Development (OECD). Then there are the thousands of non-governmental organizations (NGOs) or quasi-non-governmental organizations (quangos was the UK term for these) with varying degrees of financial, voluntary and organizational support from governments, international agencies, national governments, foundations, corporations, and individuals.

It would be easy to construct a longer and even more boring catalogue of types of international activity and organization. These activities and organizations do not themselves represent social capital, but they do provide a good part of the institutional structure within which international and global social capital networks are formed.

In view of the focus of this conference on the effects of increasingly rapid information flows on the development of sustainable ties, it is worth mentioning especially the work of Keck and Sikkink (1999) on transnational advocacy networks. Since these networks typically involve non-state actors “bound together by shared values, common discourse, and dense exchanges of information and services” (Sikkink 2000), they provide a good example of transnational or global social capital. It has been argued by many that the global information society, as characterized by the internet especially, has been the cause of these types of global advocacy. Kathryn Sikkink (2000) argues instead that while ‘information technology is a key sustaining and accelerating factor for networks... it is not an engine; it does not drive.’ She bases her conclusion on three pieces of evidence.

First, transnational advocacy networks are not new. The global movements working for women’s suffrage and the abolition of slavery relied on similar networks. Their members also thought that their own contemporary technological innovations were crucial to their success. As one British antislavery activist put it, “we can no longer ignore what is going on in America, it is only two weeks away” (Sikkink 2000).

Second, the current wave of transnational activism emerged in the early 1970s, well before access to computers or other advanced information technologies, but admittedly after the widespread availability of international air travel.

Third, and most closely tied to the emphasis I have placed on the importance of geographic closeness and personal networks, Sikkink finds that successful global advocacy networks have all been based on trust usually established through face-to-face meetings. “Once they have established trust, often through face-to-face meetings, then the networks can go on to sustain themselves through e-mail or modern communications technology, but no networks that I have studied have been initiated solely via the Internet” (Sikkink 2000).

I have quoted Sikkink’s research so fully because I agree with her assessment that transnational and global networks have been augmented rather than created by the information age, and that their current versions reflect patterns that have been in place for generations. Ever since the anti-slavery movements and before, transnational activism has been an important element in domestic politics in many countries, even if on most issues countries could and would continue to respond in local ways to local concerns.

Transnational and global social capital, like that of more local and national forms, can take bonding and bridging forms, and more likely mixed forms, and have objectives ranging from the most unselfish to the most destructive. Although al-Qaeda is for good reason the most prominent example of a trust-based transnational network put to malign purpose, given the size and dramatic nature of their terrorist acts, there are many previous examples, including both the Lockerbie and Air India aircraft explosions. The latter, for example, was organized in Vancouver by Sikh extremists looking for a means of reprisal for the destruction of a Sikh temple in India, and involved placing bombs in June 1985 in two Air India aircraft intended to explode at approximately the same time. One bomb exploded prematurely in Narita airport, killing a baggage handler, as it was being transferred from the Vancouver plane to the target aircraft, while the other exploded in an Air India flight over the Atlantic, killing all 329 aboard. Most of

these passengers were Canadians, comprising about as large a share of the Canadian population as there were Americans killed by the hijacked aircraft that crashed into the twin towers of the World Trade Centre. All of these assaults provided examples of social, human and physical capital put to evil use, in these cases via transnational networks. But there are many similar examples within each country, and hence nothing special about the transnational features, except that the resulting investigations and prosecution become much more complicated. As many of these events have shown, the lack of a fully functioning international criminal court, and the overtly political nature of many terrorists' acts, make it hard to implement effective remedies.

I have no wish to end by emphasizing the evil uses to which social capital can be put (human and physical capital either, for that matter), in global as well as local surroundings. It is appropriate to end on a more positive note, because most global networks are benign rather than malign in their intent, and the very activities involved in working together in a common cause are likely to broaden horizons, open eyes, and enlarge the basis for building understanding and eventually trust. I have at several points presented evidence that participation in many groups of a bonding sort is positively related to participation in bridging activities. If those with narrow interests are also broadening their contacts and trust networks in other directions, then the seeds are planted for trust networks to be overlapping rather than sectarian, and to foster further co-operation.

Let me finish with a final mention of some results on well-being and social capital to be presented in the workshop tomorrow. There is ample evidence that social capital of many forms creates bonds that improve the chances of finding cooperative solutions to common problems. What is now being found is that, as a bonus, the overlapping communities formed by these networks improve the health and well-being of the direct participants, their neighbours and fellow-citizens, their nations, and the world as a whole. I suspect that the fact that bridging and bonding ties tend to be mutually supportive rather than simply competing for the same scarce hours, a result I emphasized in the section on migration, will have parallels for international and global social capital. Thus I will not be surprised to find, when more systematic data are collected, that international and domestic networks are also likely to be complementary, so that

the strikingly local nature of social and economic life can persist in harmony with many international networks.

There is one cautionary note to add. There is an increasing amount of evidence that openness appears to produce economic benefits only for those countries that have sufficiently strong domestic institutions to enable them to take advantage of the best examples that the world has to offer while being able to reject the worst. This situation is likely to apply as much, or even more, to other aspects of life. If so, then cautious experiments and locally-based innovations are likely to be essential for countries currently mired in low-level social-capital and governance traps. It also suggests to the international community that people-intensive and ideas-intensive aid of the peer-to-peer variety is likely to be more helpful than large-scale aid of more traditional economic, military and political sorts. But effective aid of these new types must be based on trust and knowledge, and hence requires international social capital right from the start. Since trust takes time to build, and needs care and goodwill to maintain, there is clearly much to be done, and it's high time to start.

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