

Social Inclusion, Social Exclusion and Social Closure: What Can We Learn from Studying The Social Capital of Social Elites?

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Abstract

Theories of social exclusion focus on the shortcomings and barriers that prevent members of disadvantaged groups improving their life circumstances. Their failure to do so perpetuates social inequality. Recent social policy seeks to break this cycle of disadvantage through greater utilisation of social capital and community capacity building among these groups. This paper considers the contemporary practices of community capacity building and networking through the sociological concept of social closure.

I examine the concept of social closure in the context of its origins in neo-Weberian theory and the conditions of its time, Britain in the 1970s. In the first section of the paper I give the background and principal ideas of neo-Weberian theory. In the second part of the paper I discuss its concept of *exclusionary* social closure as it applied to status-group formation, middle class, professional communities and 'class' conflicts in the 1970s and its prescient view of the way that situation could change. I then show how contemporary views of community engagement and community work in the UK have indeed shifted prevailing perceptions of class conflict and social amelioration in directions prefigured by neo-Weberian theory. Contemporary community work makes a clear distinction between socially inclusive 'networking' and social exclusion. I argue that this introduces significant new dimensions for the theory and concepts of networking, community capacity building and social closure.

The paper thus resurrects the concept of 'social closure' from the sectarian debates of the 1970s and repositions it to help us understand the shifting grounds of 'class' identities and class conflict between the 1970s and the present. I also draw attention to aspects of social closure beyond those discussed by the original neo-Weberian theory. Whereas theorists of the 1970s assumed that social closure was nearly always driven by *exclusionary* status-group formation and self-interest, contemporary community work practice and ethics make it necessary to consider the real possibility for practices of social closure (or 'networking') that are *inclusionary* and, potentially, relate to broader issues of social justice and the political philosophy of liberal democracy.

Keywords

Social exclusion, community capacity building, networking, neo-Weberian theory, social closure

Introduction: Social exclusion, social capital and networks — the terrain of this paper

Theories of social exclusion focus on the shortcomings and barriers that prevent members of disadvantaged groups improving their life circumstances. Their failure to match the social capital advantages of other sectors of society perpetuates social inequalities through generations. In recent decades inequality and social exclusion have become more noticeably concentrated in neighbourhoods, a process of 'ghetto-isation'. The UK Labour government has sought to address this growth of inequality and social exclusion. Neighbourhood renewal has become a major policy concern. The Social Exclusion Unit was a central, Cabinet level organisation in the 1990s and neighbourhood renewal was a major government priority (Great Britain, Social Exclusion Unit 1998). Utilisation of social capital and community capacity building are seen as community interventions able to break the cycle of disadvantage.

This paper began from interest in social networking and social capital. However, I have studied these processes among privileged groups: corporate executives and business leaders (Alexander 2003, 2004) By contrast, most practitioner interest in social capital comes from community workers and government departments concerned with ameliorating social disadvantage. My initial aim was to see whether the social network formations I observed among privileged groups are models for community development networks. What I discovered, however, is that it is not the form of social networks that matters but the values that animate them. 'Networking' in these settings is very different. I will return to this initial question in my conclusion. The main task of this paper, however, will be to offer a social theory framework for observations of similarity and contrast between these two settings.

Social exclusion is the main theoretical idea I will discuss. The practitioner and ameliorative vision highlights social exclusion at the outcome level. Inequality and disadvantage are visible and measurable. But what is happening at the process level? What are the forms of social interaction that produce social exclusion and how is it perpetuated? The answers to these questions turn out to be surprising. The social processes that produce social exclusion are actually the ones that are also presented as the tactics to overcome it. It is the utilisation of social capital and the community capacity building of advantaged sectors of the community that, on the platform of accumulated privileges, permit them to maintain and expand their social capital and move even further ahead of the disadvantaged communities.

Community capacity building, empowerment, collective action, and cooperation are aspects of the general concept of social capital. Robert Putnam's (1993) seminal comparison of Northern and Southern Italy argued that differences in their current prosperity and wellbeing were due to the North's traditions and institutions of civic engagement and community cooperation. In the corporate world, management theory sees successful corporations as those that develop their human assets to create the intellectual and social capital resources and contribute to

innovation. The 'communities of practice' of the major professions such as medicine and law are seen as repositories of social capital (Bourdieu 1996). They sustain that social capital through the sharing of theoretical and technical knowledge and collective action to maintain their public prestige, status and market value.

Defined in this framework social exclusion flows from a lack of action. We may blame the advantaged groups for a failure to reach out and include the disadvantaged communities. Or we may blame the disadvantaged communities for a failure to develop and utilise their social resources in ways that allow them to compete with the advantaged communities.

This is not the language commonly associated with discussions of social exclusion however. Social exclusion, inequality and disadvantage are usually discussed as outcomes of power relations. At a process level this becomes personal when inequality is linked to an active process of discrimination, stereotyping and intolerance. At this process level, social exclusion is easily visualised as social closure. The in-group consolidates and defines its identity as superior to other groups. 'Power structures' perpetuate inequality and work to continually undermine the empowerment attempts of disadvantaged groups.

What then makes community work or civic activity empowering, whether it be interventions sponsored by governments to improve disadvantaged communities or the self-generated and self-sustaining activities of successful communities? Standard definitions of social capital focus on trust, norms and networks (Field 2003, pp. 1-5). My own research work involves the study of networks and this will be the direction of this paper. However, the study of networks can be an abstract exercise looking at networks from above and seeing overall patterns of connection, density and so forth. My own research is mostly in this tradition of network analysis. The other side of social network analysis looks at networks from within, seeing how individuals build their personal relationships to create, collectively but unintentionally, networks. Networks are objects of scientific excitement when viewed from the special vantage point of the omniscient outsider observer (Buchanan 2002) but 'personal communities' when understood from the perspective of the social actors (Wellman 1999, pp. 18-23 and passim). This inside view of networks also permits us to focus on the processes inside networks, the activity of 'networking' (Gilchrist 2004).

This paper addresses the gap between the internal and external views of networks through discussion of the neo-Weberian concept of social closure and links this concept to issues of power and empowerment. Social closure is a concept that embraces elements of process — exclusion — and outcomes — social inequality. Neo-Weberian theory takes account of the pervasive public concern with structure of power as a process of *exclusionary* social closure but does not insist that social exclusion is the only possible outcome of social closure.

In the first section of the paper I give the background and principal ideas of neo-Weberian theory. In the second part of the paper I discuss its perspective on the emergence of 'class' conflict in the situation of the 1970s and its prescient view of the way that situation could change. I then show how contemporary views of community engagement and community work in the UK have indeed shifted prevailing perceptions of class conflict and social amelioration in directions prefigured by the neo-Weberian theory.

This paper began from the idea of looking at networks and networking among successful communities and groups ('social elites') to see what aspects of their practice might be of interest to community workers and policy makers seeking to ameliorate inequality and social exclusion. The concept of social closure provides a social theoretical framework to consider these issues and I explore this concept in the body of the paper. Finally I conclude the paper by looking at our initial question in light of the framework discussion.

Neo-Weberian theory of social closure

Neo-Weberian theory was the label for a group of British sociologists in the 1970s. They were concerned with studies of stratification and mobility but chose to keep themselves apart from the Marxist and Foucauldian theories that dominated British sociological discourses of the era. The major theorist of the group was Frank Parkin. Parkin produced only two books of theory, however, an account of Weber's sociology (Parkin 2002) and a small, densely argued tract structured as a critique of the academic Marxist writings of the era (Parkin 1979). While each of these books contains the essential elements of his theoretical position, his statement of neo-Weberian theory emerges only as a subtext to the actual foci of the books.

Parkin derives his theory from Weber's discussions of social closure, particularly those in the famous essay on *Class, Status and Power* (Weber 1946). Neo-Weberian theory involves taking the central concept of social closure and developing its principles beyond the point that Weber had done and, indeed, in ways that are incompatible with Weber's separate discussion of power.

Social closure is defined as:

"the process by which social collectivities seek to maximize rewards by restricting access to resources and opportunities to a limited circle of eligibles" (Parkin 1979, p. 44).

Weber's essay gives examples of social closure and exclusivity as status hierarchies, competition for 'honour' and standards of 'good taste'. These are also issues explored by Pierre Bourdieu (1996). Weber used the term 'status-groups' to designate the social entities created by social closure. The notion of party in the essay extends this idea of social closure to the point where the social mechanisms of closure and exclusion allow the status-group to

act collectively to gain political, economic and material rewards from its ability to undertake collective action.

Parkin designates this process *exclusionary* social closure. He suggests that it is a universal tendency that results in systems of stratification. The system of aristocracy is the most obvious system based on exclusionary social closure. In an aristocratic society the status-group controls political power and also institutionalises its right to pass on that power and privilege directly to its offspring.

The liberal revolutions of the nineteenth century overturned aristocratic privilege and fought to purge it from the constitutions of liberal democracies. However it was only the principle of hereditary privilege that they objected to, not the process of social closure or the continuation of stratification and inequality. The liberal ideal thus posits a system where the transmission of privilege and, hence, the maintenance of the stratification system and inequality is, in theory, based on an individual's merit and personal abilities, not on family, birth or 'breeding'.

However, like aristocratic families before them, the successful status-groups of liberal democracies want to pass on their privileges to their offspring. They do this through mechanisms that help their offspring gain the personal abilities and meritorious achievements that will be recognised in the status system. Thus, in Parkin's view, liberal democracies espouse principles of equal opportunity and meritocracy while turning a blind eye to the de facto mechanisms that allow for the transmission of accumulated privilege. Bourdieu's analysis of culture, taste and privilege is a fuller description of the same process.

Parkin suggests that while social closure and status-group formation can lead to a uni-dimensional, layered system of stratification, such as the Indian caste system, the characteristic system of stratification in western, capitalist societies develops around binary oppositions of social class. Social differences become perceived as 'class' differences when the subordinate groups define their identity in terms of their subordinate position and direct their collective action toward changing the system rather than simply seeking to accumulate advantages over less well placed status-groups within a given system of stratification. Marxist theory located all social conflicts around the binary opposition of the working class and the bourgeoisie. Parkin argues, however, that 'class' conflict can also arise when ethnic groups see themselves as oppressed. Here the identifier of 'class', understood as the principle of classification, is not social position but ethnic identity.

Britain in the late 1970s was a society where class was defined and understood in an oppositional way. The struggles between the union movement and the Thatcher government created a climate of social conflict. The embedded concepts of social class and the intensity of social conflict thus combined to make it an era of 'class struggle'. The point of neo-

Weberian theory is to suggest that this was a historically specific configuration. A consequence of its position is that the conditions of class conflict may moderate and become less oppositional, changing the grounds of political identity, party programs and class conflict. The prescience of the neo-Weberian theory is that such change has occurred since the 1970s. Thus some of the less remarked upon theoretical issues raised by neo-Weberian theory are now more salient than at the time of its original formulation.

The declassing of social conflict and social closure

Neo-Weberian theory suggested that there is an enduring tension within liberal democracy between the formal commitment to equal opportunity and advancement on merit, and the de facto privilege that wealthy and professional families are able to pass on to their offspring. The neo-Weberian school was active in the 1970s. Neo-liberal reforms to social institutions were only beginning in that era. The salience of their theoretical insights was not apparent at that time.

The neo-liberal policies of the 1980s and 1990s produced sweeping changes in public policy frameworks and fundamental institutional reforms. Much commentary focuses on the social disruptions and economic restructuring that these changes entailed. This concern means that attention focuses on the groups who were disadvantaged and displaced and little attention is given to other social impacts.

Neo-liberal reforms had a profound impact, however, on the institutional structures involved in the de facto perpetuation of status and privilege. This came through the systematic and continuing concern of neo-liberal policy makers with competition policy. Competition policy has been the weapon with which neo-liberal policy makers selectively attack areas of entrenched privilege and the status-groups formed around them. To some extent this has even affected corporate elites. In Australia there has been a significant and effective campaign to wipe out the restrictive trade practices (i.e. price-fixing) of local oligopolies that prevailed till the 1970s. This has been accompanied by trade liberalisation (tariff reduction) and open entry for foreign investment, forcing local companies to match world producers in productive efficiency.

One of the further concerns of competition policy, broadly conceived, is to break down the perceived 'monopolies' that professions create through systems of state regulation, licensing and credentials. Government managed systems for medical and pharmaceutical regulation are continually subject to scrutiny. Australia has instituted systems forcing State governments to recognise overseas and interstate professionals. Professional associations that regulated practitioners by prohibiting them from charging less than the standard fees or advertising have been required to disband these regulations. There is continuing jockeying between professional associations (and unions) claiming to protect service standards and governments

seeking to 'protect' consumers. The comfortable security of professional elites has thus been shaken and their practices of exclusionary social closure subject to public scrutiny. At the same time however, neo-liberalism has been happy to provide greater freedom to inherited wealth on the grounds that it is legitimately 'earned'.

The second area that neo-Weberian theory saw as contributing to heightened levels of class conflict was the degree to which subordinated groups viewed their position of inequality in oppositional terms thus creating a revolutionary status-group (or 'class' in the Marxist sense) identity. Here too the changes since the 1970s have been dramatic.

In the 1970s, labour parties in Britain and Australia were closely linked to their industrial base and tended to support union resistance to neo-liberal reforms. In the 1980s the ALP became the party of modernisation and globalisation working closely with the leadership of the union movement to bring about economic reforms, which they saw as necessary. In Britain the shift occurred later with the re-formulation of the Labour Party as 'New Labour' and the ideological proposition of the 'Third Way'. The Third Way allowed Labour to move away from the oppositional definition of status-group identity, and see the improvement of social conditions for less privileged as possible within the social institutions of competitive capitalism.

Neo-liberalism thus pushed through significant restructuring of key institutions of liberal democracy. These changes impact on the patterns and practices through which professional groups had previously maintained their de facto perpetuation of privilege. Through competition policy there is a scrutiny of unearned privilege and scepticism about licensing and entrenching professional 'monopolies'. Parallel with this selective attack on professional privileges has been the lessened recognition of 'the underprivileged' in status-group (i.e. social 'class') terms.

Social closure on the ground: The ethics of community work

The impact of neo-liberal reforms for social policy thinking has been profound. While the level of social inequality has increased, neo-liberals point to the greater openness of the system as the significant change. This highlights process rather than outcome as the goal of social policy. It also de-legitimises any tendency to think of disadvantage in oppositional terms and attacks the traditional Marxist view of the solidarity of the working class.

Even if they are swept up by neo-liberal reformist zeal governments cannot ignore social policy. Social democratic parties also have their own traditions and constituencies that counter-balance the siren calls of neo-liberal ideology. Defining social policy as the amelioration of social exclusion fits social policy into the framework of neo-liberal ideals. Within this framework, however, social democratic and conservative governments can then distinguish their approaches in terms of the energy they put into dealing with social exclusion

and the social units that they favour as the vehicles of improvement. The Labour government in the UK has made the amelioration of social exclusion a major priority for action and sees local communities as the main vehicle of empowerment. The Liberal-National government in Australia places less emphasis on social amelioration. In contrast to the Blair Labour government, its rhetoric and programs emphasise the family rather than the community or neighbourhood as the vehicle of social policy.

The UK policy setting produces a strong level of demand for community workers who must implement the ideals of community engagement, community capacity building and empowerment on the ground. There is a growing body of practitioners working in these areas who are working to build networks in disadvantaged communities to marshal their collective resources. This assumes that these communities can emulate or even match the established networking practices of advantaged status-groups, communities and the professions. The Standing Conference for Community Development (now the Community Development Exchange — CDA) is the umbrella organisation for these practitioners, providing key definitions of community development and its practices in its seminal statement, *The Strategic Framework for Community Development*. (SCCD 2001) Similarly, the Federation for Community Work Training Groups (FCWTG 2003) has development national standards and a system of training and accreditation for community workers and trainers.

This collective scrutiny of community development activity among disadvantaged groups makes explicit issues around the ethics and practice of networking that are simply not addressed in the discussion of networking, social capital building and social closure among successful groups. Among business people and professionals 'networking' has been seen as an important aspect of career for many years. However, in these circles, there is seldom any discussion of its ethics and social effects. In the world of community development, by contrast, there is constant attention to the ethics of networking and its potentially exclusive effects (Gilchrist 2004).

In community development practice, networking has to be socially *inclusive*. Indeed it often has to work to correct the effects of *exclusionary* social closure among disadvantaged groups. This is the case, for instance, when building networks involving different ethnic and religious groups. These groups may have previously sustained themselves through in-group solidarity and suspicion of other groups. The community development worker has to create bridges between these groups and initiate communication among them. What is the rationale for such network bridges however? If they are seen as simply avenues of formal negotiation between the groups, they may actually enhance the internal solidarity and exclusiveness of those groups. The task of the community worker, Gilchrist suggests (2004, ch. 5 and 6), is to create network bridges that allow for meaningful personal communications between people in these separate groups. It is personal networking that lessens the barriers between groups.

A second, less immediate, ethical dimension of active community networking is attention to the outcome of community empowerment. If the community succeeds in creating the networks and community capacity that facilitates action of some kind, does it matter what that action is? If advantaged status-groups and professions can utilise their community power in ways that are not compatible with liberal ideals is it possible that networks of community empowerment among underprivileged groups could also do so?

The community work standards and statements of principle place enormous emphasis on social justice. This draws attention to the outcomes of action, not just the process. The ethics of community work thus deal with the issue of outcomes in a way that the 'personal advancement' approach to networking does not.

Social networking among elites and disadvantaged communities: Conclusions

This paper began from the idea of studying social capital and networking amongst social elites as a model for networking practices by community workers and others working to ameliorate social conditions among disadvantaged groups and communities. The reality is, however, that the ethics and practices of community workers have more to teach about creating socially inclusive networks than do the practices of professional status-groups or the narrowly self-seeking manuals of business and career networking. In theoretical debate, however, the activity of networking in each arena and the networks and social capital it creates can be sensibly compared and contrasted.

This paper has argued that the sociological discussion of social closure provides a framework to understand both the operation of networks and networking in each domain and the broader setting of both types of activity. The paper resurrected the concept of 'social closure' from the sectarian debates of the 1970s and repositioned it to understand the shifting grounds of 'class' identities and class conflict between the 1970s and the present. Our discussion has drawn attention to aspects of the concept beyond those discussed by the original neo-Weberian theory. Whereas theorists of the 1970s assumed that social closure was nearly always driven by *exclusionary* status-group formation and self-interest, the policy changes and practitioner experiences of the last two or three decades make it necessary to consider the real possibility of practices of social closure (or 'networking') that are *inclusionary* and, potentially, increase social justice outcomes.

The intended audience for this paper was community work practitioners. Here the message from this paper is mixed. On the one hand the sociological study of social elites reinforces the basic assumption of ameliorative community work: advantaged status-groups and professions are built on active networks and social capital and group identity. They are networks of an inclusive kind that foster personal and professional relations and trust. There are also

examples of community capacity building to show that collective action leads to status-group betterment. The relation between networking, social closure, social status and power remains uncontested. In principle, therefore, similar arrangements can foster the empowerment of disadvantaged communities. The critical question is how to balance and manage exclusionary and inclusionary social closure.

I would argue therefore that there are important similarities in networking practice for activists working in both disadvantaged and successful communities and status-groups. In both settings networking needs to be inclusive. It needs to connect people across barriers of difference of distance and to breakdown any internal in-groups. Active and successful networking needs to breakdown any legacy of exclusionary social closure within the community or status-group of activity.

The broader ethical question about the goals toward which status-group or community capacity is directed is harder to address. Calls for 'social justice' although meaningful for those working with disadvantaged groups do not translate to conditions of successful communities and status-groups. Neo-liberal competition policy is largely concerned with perceived 'abuses' of status-group power and mobilise public concern around on the basis of popular resentments of professional groups rather than positive claims about the social benefits of competition. Neo-Weberian theory offers little guidance at this level since it largely described the processes and outcomes of exclusionary social closure. But the identification of inclusionary social closure and networking at the process level does offer grounds for a project that takes this idea to a higher level. That is the task for another paper however.

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