



## **Social Capital in Economics: Why Social Capital Does Not Mean the End of Ideology**

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### **ABSTRACT**

Social capital is one of the most exciting new concepts to have emerged from within economics in the past decade. It promises to reconcile traditional market approaches with an understanding of intangible social dimensions to economic activity, such as trust and community. At the same time, the concept of social capital has been criticised as a form of academic colonisation, attempting to reshape the social sciences in the individualistic image of economics. I examine social capital as a concept within economic discourse and situate its emergence within broader trends in economic methodology. The emergence of social capital reflects

a shift within economic methodology away from abstract mathematics and instrumental rationality towards a more holistic, contingent, and complex methodology more common in sociology. However, economic and sociological method remain