

# A capital approach to sustainability

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## Greenprint for Sydney 1999

*Voluntary cooperation is easier in a community that has inherited a substantial stock of social capital, in the form of norms of reciprocity and networks of civic engagement. Social capital here refers to features of social organisation, such as trust, norms and networks that can improve the efficiency of society by facilitating coordinated actions.<sup>1</sup>*

Robert Putnam, 1993

## Introduction

Social capital has emerged in the 1990s as a useful conceptual tool in examining the real level of commitment of governments to the catchcry of the 70s and 80s of public participation. More importantly though, social capital analyses offer strategic insights to assist the reforms necessary to transform our society into ecological sustainability whilst enhancing social cohesion.

Governments at all levels now claim to be committed to public participation. It is true that there is an unprecedented level of documents and options to which the public can make submissions. To many though, this commitment all too readily boils down to one of public therapy or even manipulation - public comments are ignored or issues addressed in conditions of approval which are impossible to monitor or enforce.

Such cynicism is reinforced when, as in NSW, major changes are made to planning laws which remove community tools such as the old development assessment (s.90) checklist, downgrade public participation processes to insecure regulations and elevate developer rights. Both major political parties supported these changes and also joined forces to reject public third party rights in legislation establishing the new Sydney Catchment Authority and the *Forestry and National Parks Estate Bill 1998*.

Such actions can be devastating to our stock of social capital and highlight the need to adopt a two pronged approach focusing both on civil society and state governance.

## Social capital - worthwhile investments in community involvement

We live in an era where global forces seek to elbow government to the margins. There have been major changes when it comes to policy making and regulation.

*We have reached a stage where the focus is on transparency, accountability and preventing [regulatory] capture. There is a desire to "draw the narrow and aridly technical expertise of established regulation...into the richer context of contemporary knowledge and*

*society". We recognise that most issues of public interest and importance have become more complex. It is rare to find an economic issue that is not hedged around with social, environmental and other considerations (and by the same token, social and environmental issues that do not have significant economic dimensions).<sup>2</sup>*

If there is to be such a shift in decision making from "top down" to one that engages individuals and communities in a process of social learning, there must be a similar change in the approach to participation and consultation. The marker of involvement needs to shift from the "therapy" and "manipulation" end of the participation spectrum toward delegated power and forms of co-management and self governance.

Social capital theorists argue that, to make reforms effective, they must integrate social capital development as a key ingredient in achieving economic and democratic efficiency. "Where social capital is high - measured in terms of trust, civic engagement and levels of voluntary association - it is easier to achieve broader economic, environmental and social goals...The key...lies in the ability of communities and economies to use information as the basis for innovation and to transform conflict into productive compromise"<sup>3</sup>

In its recent study of social capital, Albany noted that this requires a shift towards a model which includes the following elements:

1. a bias towards moving the consultation and participation process along the spectrum towards forms of co-management, delegated power and shared authority;
2. accepting a new style of regulation, with an emphasis on:
  - provision of public information,
  - progressive education of the public, interest groups and the developing policy community,
  - establishing shared values and objectives,
  - joint evaluation of processes and outcomes, and
  - facilitation of meaningful interaction between multiple stakeholders with different and divergent interests;
3. regulator skills and qualities that include negotiation, facilitation, mediation, integration and communication, and being open, responsive, informative, ethical, consistent, reliable, even handed;
4. an equal focus on technical expertise and the management of relationships;
5. a one-size-fits-all approach is unlikely to work given the range of interests and objectives in any given situation, and the different scale at which the policy and regulation process is taking place;
6. as a general rule, participation should err on the side of inclusion rather than exclusion. Similarly, the basic principle would be for early involvement of key interests and communities;

7. collaboration among various communities, interest groups and government agencies (sometimes activated by a period of adversarial conflict);
8. a focus on relative risks and costs, democratic and just ways to allocate them and common values and interests that might help reframe them;
9. a role for government as catalyst for local problem solving within a broader regulatory framework that also encourages civic education and responsible action;
10. accept a continuing role for a strong regulatory framework, but one which has a bias towards triggering civic approaches.

The latter point is crucial. Social capital does not mean the government can abdicate responsibility. Governments need to take hard decisions in protecting our environment and public spaces as well as in implementing a whole host of changes needed to enhance social cohesion in a multicultural, pluralist society.

### Checks and balances on government

In implementing a social capital approach it is important to put the focus both on government as well as civil society. Too frequently governments can diminish social capital by arbitrary acts. Examples include where developments such as the Port Kembla smelter are retrospectively validated and shielded from public challenge in the courts.

In his book "Republicanism: A theory of freedom and government"<sup>4</sup>, Pettit sets out some key conditions for what he calls republican governance. These include:

1. **the rule of law** - government should operate by law, not case by case, and in particular arbitrarily: by a sort of law that is general, non-retrospective, well promulgated, precise, and so on;
2. **dispersion of power** - governmental power should be divided out among many hands. This supports the division of legislative, executive, and judicial functions but also other forms of dispersing power, as in bicameral and federal arrangements;
3. **counter-majoritarianism** - it should be made more rather than less difficult for majority will to change at least certain fundamental areas of law, ranging from presumptions in favour of common law to constitutionally guaranteed constraints such as a bill of rights;
4. **contestability** - government decisions must be fit to survive popular contestability rather than just allegedly based on popular will.

For Pettit this contestability requires the introduction of systematic opportunities for ordinary people to contest the doings of government. Government needs to be deliberative, inclusive and responsive to contestation. The latter requires recognition of the traditional claims of public interest advocates, e.g. provisions for open standing, freedom of information, legal aid and administrative appeals tribunals.

## Greenprint capital

The above discussion can be translated into the following recommendations for government action in state governance and building social capital in Sydney and NSW.

### 1. State governance

- commitment to open, third party, standing rights to uphold public laws;
- increasing contributions to legal aid;
- commitment to not retrospectively validate developments or to shield developments or activities from public action to enforce public duties;
- commitment to a national Bill of Rights, to include a right to a clean environment;
- legislation for community 'right to know' about developments and activities that pollute the environment or pose a risk to public and environmental health;
- review of Part III of Environment Planning and Assessment Act 1979 to increase opportunities for public participation.

### 2. Social Capital in Sydney and NSW

- funding support for voluntary conservation non-government organisations at state and regional levels;
- funding support for establishment or enhancement of a network of environment centres in key metropolitan and regional locations;
- maintenance of on line, accessible, integrated and up to date state of the environment information;
- establishment of a Community Involvement Fund to assist participation in development of planning instruments and relevant strategic documents, to be part financed by a set percentage of all development application fees and administered by community stakeholders e.g representatives of Nature Conservation Council of NSW and NSW Council of Social Services

## Conclusion

The coming century will place many obstacles in the way of the challenge of achieving ecological sustainability and social cohesion. The main task is to meet these challenges in the most economically and democratically effective means possible. As some analysts have claimed it may well be that:

*the communities that successfully build or rebuild productive social capital will be those best positioned for prosperity and adaptability in the coming century.<sup>5</sup>*

Implementation of Sydney's Greenprint should nurture social capital and improve state governance. Whilst some regulators and managers will be uncomfortable with integrating social capital perspectives into reform processes, in reality they will be making crucial investments in sustainable decision-making and avoidance of protracted social conflict.

1. "Making Democracy Work: Civic Traditions in Modern Italy".
2. (1997) Albany Consulting Group, "Social Capital in the Olympic City", Green Games Watch 2000 Inc
3. Albany, op cit p.9
4. (1997) Clarendon Press, Oxford.
5. Wilson P. (1997)) "Building social capital: a learning agenda for the 21st century"  
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