

## Social capital and the privatization of knowledge

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### ABSTRACT

This work examines the intellectual movement that dominated the scientific thought in the social sciences from the 1960s onwards, and its connection with the changes in the world's economic and political relations since then, emphasizing the United States. Two of the most significant manifestations of this movement are found in questions related to the identification of an institutional crisis in American democracy and the need for a process to re-evaluate the role of sociology, both from the institutional point of view, and as a tool to explain the social reality of the country and the world. The reorganization of America's economic power, as a result of the technological development and the globalization process, provides the background for the political crisis in the United States. When it becomes evident that the foundations of the American democracy are threatened by changes in its internal structure and behavior, it is possible to detect the development of a considerable amount of research and studies dealing with different perspectives of the large corporations' activities. As a counterpoint to the apparent deterioration of the internal political community, this effort intends to identify the commitments of the business circuit with the civic behavior and democracy, whether in the assertion of ethics in business, or in the perspective of the development of a social policy more compatible with the corporate strategies. It is in this context that the concept of social capital becomes the main articulator of political and theoretical disputes on the subject of the economic development and the changes verified in the industrial sector resulting from the expansion of new technologies and their effects regarding the need for a redimensioning of the intellectual property right.

**Keywords:** Sociological theory, corporation, technological revolution, social capital, intellectual property.

The Anglo-American version of the Third Way program, exposed by Giddens in 1998 and 2000, can be seen as a kind of smooth surface that at the same time conceals and reveals, in spite of the geopolitical and economic peculiarities of the moment, the intellectual excitement that influenced the scientific thought in the field of social sciences in the late 20th century. Two of the most significant manifestations of this movement can be seen in questions related to the identification of an institutional crisis in American democracy in the 1970s, and the verification of the reconfiguration process that sociology experienced at the same time, especially the social science developed in the United States. The background for the institutional crisis in American democracy, as it has been described by some authors, is the reorganization of America's economic power, which occurs simultaneously with its changes and is often considered as a result of the phenomenon of economic globalization. The issue of "American exceptionalism" is one of the most remembered aspects in the analysis of the observed changes.

An interesting statement in this regard is sponsored by historian Colin Gordon, in his search for the reasons why the theme of exceptionalism has ceased to be a matter of interest to those who study American history. Taking into consideration the most popular perception of the issue of corporatism, that is, as a social

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order resting on three foundations – business, work and politics – Gordon examines the question and verifies that the United States, in terms of political economy, seems to be “the chief clown of corporatism.” Whatever the analytical perspective adopted in relation to patterns of work, business or political organization, the conclusion is the same, a total lack of organization (p.29, 1998).

Sustaining the low organizational capacity of the American work sector, which, throughout its history of struggle, through unions and associations, never had enough density of activity to allow it to impose comprehensive and long lasting social policies; Gordon focuses on the attempt to explain the puzzle that the power of business represents in the definition of America’s destiny, even though it is disorganized too. According to his interpretation, the entire business sector benefits from the disorganization of the work sector as well as the national politics in general. The privileged status of the business sector could be a consequence of the political disorganization of the working class and its own disorganization. The situation is somewhat unusual: first, the historical weakness of the national movement of workers contributes to the weakness of the business organization; second, the weakness of the nation contributes to the disorganization of the business sector. As a result, the business sector is the dominant force. According to Gordon: “*nowhere (among industrialized democracies) is the political threat to private capital weaker, and nowhere is the antistatist rhetoric more ferocious*” (ibid. p.41). In effect, the antistatism is more like a smoke screen to cover the fact that it is used by the “business sector.” Gordon’s explanation, however, does not admit an “industrial corporatist” policy. Drawing on a metaphor from political scientist Charles Lindblom, according to whom the political sector is a prisoner of the market, Gordon states that what would contribute to the privilege of the business sector would be the action of the “*generic logic of democratic capitalism,*” because “*Any system of democratic capitalism sets ‘capitalist’ boundaries around ‘democratic’ rule*” (ibid. p.33).

A comprehensive and influential study on the institutional crisis in the United States is Robert Putnam’s *Bowling alone, the collapse and revival of American community*, 1995. The author explores issues related to civic engagement and the pre-conditions of democracy and democratization in American society. Putnam’s approach is central to the discussion of political solutions in terms of a third way. In particular, his concerns include the decisive role of issues such as social capital and trust in the definition of directions for the country.

In part driven by the issues raised by Putnam, the renowned political scientist Seymour Lipset exposes the scale assumed by the institutions governing the domestic U.S. politics in the book *American exceptionalism, a double-edged sword*, 1996. To a certain extent, Lipset revisits issues already raised in *The politics of unreason*, from 1978, exploring the contradictions in American society as signs of a world that has experienced too many changes in recent decades. He concludes melancholically, stating that the virtues of American exceptionalism are in the origin of its current problems: “*The American Creed (...) fosters a high sense of personal responsibility, independent initiative, and voluntarism even as it also encourages self-serving behavior, atomism, and a disregard for communal good*” (p.268, 1997).

Carl Boggs’ *The end of politics: corporate power and the decline of public sphere*, 1999, rejects Putnam’s arguments on the decline in the “level” of social capital as the reason behind the faults of American democracy. According to Boggs, the decline of American political life appears after a process of “corporate colonization” that, through the manipulation and diffusion of a national ethos contrary to politics, depletes participation in public life, transforms political events into less important issues, and encourages the growing disinterest in the electoral process.

Another interesting study on the degradation of American democratic life is that of Theda Skocpol’s *Diminished democracy: from membership to management in American civic life*, published in 2003. Starting from a 1998 report of the Council of Civil Society (an organ of the Institute of American Values) that identified the declining living standards in the country, Skocpol’s research is organized through a detailed examination of the forms of political participation since the voluntarism of the early stages of republican life. Skocpol notes that from the Civil War to the post-World War II, the voluntary associations and the actions promoted by the State Welfare were closely related. Is this connection the real substrate of the American version of Keynesianism. Back then, most volunteer groups were much more than representative segments of local communities. Many of these associations worked for a long time as sections of regional and national institutions, and supported important social programs financed by public funds, playing a decisive role in the democratic organization of the government. In the mid-1960s, although these associations continued to play an important role, they gradually lost ground and significance, due to the emergence of new social

movements and new kinds of leadership and more professional types of involvement in the process of claim. In general, the expansion of the social movements of the 1960s, with its popular and radical character, forced a redefinition of the relationship between lobbyists and government. Together with the civil rights movement, the feminist movement, the environmental movement, the active religious brotherhoods, etc., the 1970s and 1980s saw the emergence of specialized associations representing the business sector. These associations would become more expressive in the 1980s, competing, with the advantage of expertise, with other voluntary organizations, resulting in a major change in the behavior of civic society. Comparing optimistic and pessimistic views on the changes in the associations and their role in the political life of the country, Skocpol concludes that the classical associative participation in associations formed a two-way bond between groups and spaces and between local and national. In the context created in the 1980s, these bonds began to deteriorate, due to the more effective action of centralized institutions run by experts. Thus, the civic life of the country is increasingly restricted to a kind of oligarchic domination (according to Skocpol, cap.6, 2003).

As can be seen by the characterizations applied to the changes the globalization process brought to the state organization, identified by the public administration researcher Ali Farazmand as “Corporate State,” “Shadow State,” “Contracting State,” “State Enterprises,” etc., the main change would concern the persistence of the Nation State and the changes in its administrative nature. Welfare state became “corporate state,” or “corporate administrative state,” as Farazmand prefers. The downside of economic globalization, in his view, would correspond to a threat to the sovereignty of the Nation States, the constraints on democracy, the concentration of the global power structure, the strengthening of centralized decision-making in the hands of business and government elites, and the increasing dependence of the less developed nations (p.515, 1999).

Farazmand’s contribution to the appraisal of the changes in the administrative structure of the state, combined with the debate on the question regarding the situation of democracy and exceptionalism in the United States, raise the question of the assessment of the structure of power and decision-making in the American society, as well as the role and functions of the corporations in this process, from the political, social and cultural point of view. Within the series of manifestations that seek to characterize the real power of the corporations at that time, the notion of command capitalism appears as a result not of the actions of corporations, but of the pressure of unspecified “interest groups” (Monsen, 1979). However, in the 1990s, the discussion on the subject was given a more defined contour with the use of the term state capitalism by Seymour Melman (1997) (author of *Pentagon Capitalism* and *Permanent War Economy*, 1970 and 1974 respectively, among other works), and the analyses of the globalization process and the practices of transnational corporations contained in Sklair ([1995], 1990 and 2002), Giovanni Arrighi ([1996], 1994), Hirst and Thompson ([1998], 1996), and others.

The source for any connections established between the concepts of “corporate state,” “state capitalism” and “general entrepreneur state” is the transformation, both in the material and non-material plan, that work in the international division of labor since the international expansion of the corporations, usually characterized as products of the movement of economic and financial globalization. The tendency in American society, at the end of the 20th century, is a result of the new configuration of the world market and the actions of its main players, the big transnational corporations. In other words, the civil disorganization of the American society, as identified by the above-mentioned researchers, is the other side of the expansion of corporate power, and thus, the expression of another geo-political horizon, defined by a new form of regional economic groupings, induced by this power. This is the starting point for the third way program, led by the American and British governments.

The intellectual movement that dominated the scientific thought in the social sciences from the 1960s onwards, but whose developments became more decisively manifest since the 1980s, is framed by two emblematic events: the exhaustion of the Keynesian economic policy and the events of May 1968 in Paris. From then on, the spectrum of sociological science tends to break up in a wide range of programmatic alternatives. More than a dozen proposals and intellectual projects can be identified in this context, sometimes it is a refinement of perspectives, and sometimes it is a simple replacement of theories and methodological procedures considered historically outdated. Some trends can be identified as more clearly defined. Among them, the rejection of classical theories, a proposal to refine the techniques of empirical research, the strengthening of the sociology of culture, the creation of programs of theoretical research, the

establishment of interdisciplinary studies with dialogue between different theoretical and methodological trends, the formation of collaborative networks in quantitative research, or the construction of new theoretical syntheses to perform diagnostics on contemporary reality (according to Giddens, p.23-51, 1987; Collins, 1986 and 1989; Camic & Gross, 1998; Smelser, 1999; Moody, 2004).

As it can be imagined, this universe of propositions is ruled by the dispersion of efforts and a lot of confusion. According to the assessment of Smelser, even though there have been important contributions to the development of the discipline in the last 25 years, throughout the process, some visible trends emerged, both towards the fragmentation and the standardization of differences, replacing old disputes between different epistemological or ethical positions for a form of mutual tolerance, for some kind of “peaceful pluralism.” To Smelser, a deep ambivalence is manifested in the sociological landscape of the late 20th century. It is evident that sociology has been institutionalized and is established as a long-lasting enterprise, but on the other hand, there is unrest surrounding it, and a sense of loss of direction is visible (Smelser, p.6, 1999). More or less in accordance with Smelser’s observations are Camic & Gross’ considerations on the general framework of the configuration paradigm (p.469-9, 1998). Although it is possible to identify evidence of intellectual vitality in some projects, the evaluation of the whole thing does not favor a positive appraisal. As for the future of the projects, pessimism, disillusionment, disorientation and disorganization are predominant.

In fact, when considering the analysis performed by the above-mentioned authors on the new directions of the evolution of science, two characteristics are dominant in this process, the disciplinary fragmentation and the theoretical dislocation of projects and innovative proposals for a committed critical perspective of social reality. The “peaceful pluralism,” which Smelser used to illustrate this lack of a critical vision of contemporary society, points to the architecture of a conformist bias that defines the direction for sociology. The same feeling can be found in Michael Burawoy’s apprehensive statement on the fate of science in the late 20th century. According to Burawoy, post-modern pessimism has permeated sociology in such a way that it mistakes the post-colonial theory for the post-socialist theory. In his words, the post-socialist thought has become a kind of quintessence of the postmodern thought in its refutation of the utopian visions as impractical and dangerous: “*Against this messianic pessimism we need not accumulate more facts that root us in an eternal present (...). This is a time not for normal sociology (...), but for revolutionary sociology that reconfigures what we already know*” (Burawoy, p.695, 2000). In accordance with these terms, the arguments of the launching manifesto of the *Journal of Classical Sociology* (2001) criticized the fragmentation of the discipline due to the creation of subspecialties and the development of interdisciplinary studies that, absurdly, are disconnected from the logical roots contained in their disciplines of origin. Besides the lack of intellectual rigor that results from the practice of interdisciplinarity and its adverse effects on the educational system, the manifesto also emphasized the distortion of the discipline through its treatment as a “social theory” and the progressive abandonment of its critical content (JCS, 2001).

David Owen (p.13-17, 1997) identified the two major debates surrounding sociology at that time. The first comprehended the perspective of an emerging postmodernity, characterized by a consistent set of propositions intent on criticizing the metanarratives and the Eurocentrism, as well as the affirmation of the anti-fundamentalism and the relativism, in particular the relativism of discourse. The other corresponded to the dispute between those who maintained that the contemporary development was a tendency, as the advent of a new social system in which chaos, indeterminacy and ambivalence would predominate; and those who thought that these new conditions were the signs of an emerging new global modernity, reflexive modernity. These debates are closely intertwined with the major discussions sociology faced at the beginning of the globalization process, in its economic, political, and cultural aspects (Guillen, 2001); and they make it possible to discern some key directions for sociology in the 21st century.

Owen’s observation permits to discover a nexus between the seemingly contradictory proposals mentioned in the discussions above. The key element in this approach is the concept of “risk,” which guides other ideas that, in this context, begin to dominate the theoretical scene as a development of studies on the process of globalization. One of these concepts is that of “disorganized capitalism.” The other is the notion of “reflexive modernization,” whose definition is developed in the context of the characterization of “risk society.”

The social concept of risk seems to occupy a permanent space in the interests of the social sciences in the late 1970s and early 1980s (Krimsky & Golding, 1992). In accordance with Ortwin Renn’s

observations on the studies regarding risk from a sociological perspective, the issue involves two main dimensions. The first contrasts perspectives from individual analyses with structuralist perspectives, in which the individual, group or institutional basis of risk is discussed, as well as its character as a phenomenon that involves unintentional socio-structural and global problems. The other, opposing objectivist and constructionist positions, includes discussions about the nature of risk and its manifestations, which may be real and observable phenomena or manifestations created as “social artifacts,” produced by social groups or institutions. According to Renn, within this spectrum of theoretical perspectives are theories such as the theory of rational action, the theory of social mobilization, the organizational theory, the systems theory, and also the neo-Marxist critical theories, as well as the cultural and constructivist theories (p. 67-70, 1992).

The concept of disorganized capitalism has at least two versions. The version of Lash & Urry (1987) seeks to establish the difference between “organized capitalism” as a national phenomenon, and disorganized capitalism as a global phenomenon resulting from the international advancement of transnational corporations, working not only in the industrial sector, but also in the commercial and financial sectors, through which is processed the distortion of the national borders. The version of Carl Offe (1989) is built primarily on the idea that, within the new capitalism, the work sector is marginalized, a position disputed by the first two authors. In any case, both versions are in agreement with the notion of risk society, pointing to a common element in the relationship of ambivalence that, at any given time, has come to surround the technological development associated with economic growth, when the scientific-technical rationality is identified as an element to protect and legitimate the degradation of life in contemporary society (Beck, [1998], 1986).

The concepts of risk and reflexivity that flow from the theoretical frame that defines the new modernity – reflexive or post-traditional modernity (Beck, 1986; Giddens, 1991) – form the nerve center, not of another conception in the construction of the sociological theory, but of the vision of a new society to which the theory must be adapted.

In this movement of theoretical reconstruction, one of the most impressive variants in the discussion was the shift of the paradigmatic apex of science from the work sector, whose lack of ethical substance results from the emergence of a society in which the services are predominant, to the field of communication. Claus Offe explains this idea in his work *Disorganized capitalism*, pointing to examples in the “classical traditions of the bourgeois sociology” – in this case, the works of Marx, Durkheim and Weber – of the tendency to transform work into the main social fact (cap.5, 1989). Offe’s thesis, even though he places side by side worldviews based on contradictory epistemologies, just like the theories of the above-mentioned “classical” authors are, was accepted in academic circles with surprising ease.

To understand this fact, it must be taken as a part of the great paradigmatic context that enveloped sociology in the 1980s. The decisive factor that contributed to make acceptable Offe’s ideas on the historical roots of the foundations of sociology being based on work, much more than its sources (derived from the critical ontology of Karl Marx by Jurgen Habermas, as well as the studies of Ralph Dahrendorf on the end of the work society, André Gorz on the end of the proletariat, and Alain Touraine and Daniel Bell on the emergence of a post-industrial society), was the astute, although not epistemologically correct, solution of moving the core paradigm of the sociology of the work process into the market sphere, in which rationality would rule differently. The emergence of more and different kinds of social conflicts in contemporary society would have depleted the former place of conflicts: the factory, the favorite site for social class struggles, owners and workers. This place, then, becomes a unified front to confront emerging social conflicts from outside the production process. The general expansion of services in industrialized societies, and the resulting changes in the nature of work are the key to the radical transformation in the structure of contemporary life.

Offe’s book, in a sense, serves as a consistent example of the evolution of the theoretical tendency that feeds the trend of the idea of another modernity, and within it, the concept of civil society is fueled by notions of risk and reflexivity, changing the work sector to act as a source of understanding for social and environmental costs of productive activities in general and not limited only to the workplace and specific companies.

The discussion around the concept of civil society acquires an unprecedented scale in sociological analyses with the debate on democratic socialism and Eurocommunism, in the 1960s and 1970s. In the United States and the United Kingdom, in particular, the concept of civil society seems to experience a

revival with the publication in 1989 of the translation into English of Jurgen Habermas' book *Structural change in the public sphere*, edited in 1961.

Habermas' work seems to bring elements for a reassessment of the concept of civil society, as it suggests the rupture of the "old model," which established a strict separation between the public and private spheres, created, in accordance with his terms, by the bourgeois society. That is, the decay of the "bourgeois" public sphere would occur under the auspices of the integration between the public and private sector, with the emergence of a new public political space. At the root of Habermas' text, there are issues that reorganize the whole discussion around the technological, economic, social, political, cultural and ideological transformations that from then on characterize the criticism and reconstruction of the conception of modernity and the review of the dominant paradigms in sociology, of which the above-mentioned Offe is an eloquent example.

Regarding the Anglo-Saxon sociological literature, there is a clear convergence on the view that the concept of social capital, considering the formulation of James Coleman and further developments of the concept through the work of other authors, is a key factor in the "revitalization" of the concept of civil society, especially in the United States, where it takes place concurrently with the resumption of Alexis de Tocqueville's thought on the foundations of democratic life in that country (see, for examples, the collection of texts edited by Craig Calhoun, *Habermas and the public sphere*, from 1992; and Cohen & Arato's *Civil Society and Political Theory*, 1994). The correlation between the two concepts seems to believe that the idea of public sphere, developed by Habermas in 1961, is the decisive impulse for its acceptance as an analytical tool of the political and social order. The new boundaries of the concept of civil society represent a recreation of Habermas's idea of public sphere, in the sense that civil society is not restricted to one public sphere, based on the uniqueness of the rational discourse, but it consists of multiple public spheres that combine rational and non-rational elements, as well as elements of contestation (see Calhoun, 1992). This is an emerging model of civil society that comprehends a number of "public spheres, communities, and associations nested within one another, and also within a putative larger 'national sphere' of civil society" (Taylor, 1995, apud Jacobs, p.1239, 1996).

In this movement, in which the expansion and reorientation of the capitalist system, together with the decline of the Soviet system, provides a wider horizon for scientific thought in the field of social sciences, the resurgence of the concept of civil society will play a strategic role in the process of articulating the analyses and categories that had been circulating, more or less independently, in the sociological studies, in the economic studies, or in the areas in between. Due to this strategic role, the concept assumes, under certain conditions, the sense of a patchwork in which the analytical purposes are mixed with claims of an ethical nature, seeking alternatives to overcome conflicts over conflicting demands made by different institutions, associations or social groups, with the aim of preserving the social order. The fact that it represents the synthesis between public and private welfare seems to be the reason behind the widespread use of the concept in Anglo-Saxon literature (Foley & Edwards, 1998; Magnuson, 1997), and the basis for its transformation into an instrument of rapprochement between the different fields of knowledge. With this kind of support, the second phase in the development of economic sociology presents a vitality unseen in its first phase – with Talcott Parsons, Neil Smelser and Wilbert Moore, in the 1960s – and it is in this way that it will consolidate the tendency to confirm the preponderance of Anglo-American sociology over the other streams of sociological thought (on the second phase of economic sociology, see Swedberg, 1997, p.165-6, 1998).

In the developments of this new phase, several notions, already widely circulating in the intellectual and scientific circles, will be revised, but, within the discourse of economic sociology, they are given another dimension and projection, especially after the reexamination of concepts such as civil society and, particularly, that of social capital, contributing decisively to promote the short-term bias that defines the main direction for the development of contemporary American sociology (Elias, [1994], 1968; [1997], 1977; 1987). In the program of this sociology, the key factors in the organization of the theoretical and methodological propositions are to be categorized in accordance with conceptions completely emptied of their historical contents, representing notions provided by the new technological rationality, such as globalization, information society, knowledge, risk, reflexive modernity, etc. Within this theoretical and methodological context, the conflicts result from divergent interests, and the central dynamic of society is resolved through the process, or mechanism, of inclusion-exclusion of individuals and groups regarding the

different levels of coexistence, and institutional or social situations. It is at this point that the strategic role of the concept of social capital is defined.

The concept of social capital, in Coleman, represents the development of the exchange theory and the consolidation of the rational choice theory within sociology. The definition of social capital is given by its function, i.e., to create human capital; and its sources basically correspond to the expectations and reliability of the social structures, networks and information, as well as the observance of the rules and acceptance of the sanctions defined by the social structures. Its fungibility is virtually nil, if compared to human and physical capital. This is due to the fact that it is not within the individuals or physical factors of the production process. The substance of social capital, according to Coleman, is its propositional sense and, in this case, the social organization (system of action or corporate actor) that entails the accomplishment of objectives that could not be achieved otherwise, at least not without a very high cost.

The arguments on the subject are discussed in the text published in the supplement of the *American Journal of Sociology*, in 1988, and they are further developed in the book *Foundations of Social Theory* (1990), considered the most important work of the author, in which many previously published texts are revisited to provide elements to demonstrate, in the author's point of view, the rediscovery of the foundations of community life that followed the revolutionary organizational transformation that marked the emergence of contemporary society, the modern corporation (also known as anonymous society). Another important document in the evaluation of this project is the presidential address presented at the inaugural meeting of the *American Society of Sociology*, in 1992 (Coleman, 1993), which is a summary of his idea of rational reconstruction of society and the role of sociology in the process.

The concept of corporate actor dominates the text of 1990 and the message to the sociologists of 1993. Since the text of *Foundations* is a composition that resumes earlier texts, many times the reader comes across the resumption of ideas already proposed, which seem to create the impression of a lack of clarity in the enunciation of the concept. The reiteration of some questions, however, also works to promote the consolidation of certain key points of his theory. This applies to the definition of corporate actor as system of action, through which Coleman's idea of extending the theory of rational action to all structural instances of the collective life becomes manifest. Take, for example, Coleman's characterization of minimum corporate actor: "*A natural person encompasses two selves, object self and acting self, or principal and agent, in one physical corpus. A minimal corporate actor is created when principal and agent are two different persons.*" He continues, "*With this same minimal structure, the principal may be a corporate actor, or the agent may be a corporate actor, or both may be corporate actors (as when a corporation owns another corporation).*" A more widely developed corporate actor has multiple "principals," who are the object, and many "agents" playing the active role. "*This is the way a publicly owned corporation is conceived of in modern society.*" Coleman explains this occurrence as follows: "*The principals are the multiple owners, the shareholders of the corporation; the agents are all those employed by the corporation, from its chief executive officer to its production workers.*" The same idea applies not only to the unions, whose members are the dispersed principals, and the leaders are the agents through which the demands are filtered; but also to the state, in which the citizens are the principals and the government officials are the agents (p.421, 1990).

Although the idea of corporate actor is expressed as a system that is present in different organized structures of society, almost all of Coleman's argument involving the formation and development of the concept, and its basis of origin, is made through reference to the modern corporation, because it is this type of organization that promotes the radical change in the legal order of society and, consequently, the change in the social organization that will define the directions of contemporary society.

The widespread use that the concept of social capital would experience in the 1990s occurs, significantly, apart from its theoretical complement, that of the corporate actor, as developed by Coleman. Considering the evolution of the use of the concept of social capital in the social sciences, through the article by Alejandro Portes (p.18, 1998), it is possible to verify that, at that time, more precisely in 1993, Robert Putnam set in motion changes in the use of the concept, based on the activities of civic organizations, different types of associations, communities and, in some cases, even cities and countries. In other words, the articulation of the concept of social capital with the representative bodies of "civil society" is the key to the development of the concept in different contexts. This type of articulation seems to provide an ideal way to circumvent the institutional problem involved in Coleman's formulation of the concept of social capital, related to the concept of corporate actor, which made it easier, more palatable, to assimilate in circles outside

the academic environment, such as the World Bank and the International Monetary Fund, to mention two examples of institutions associated with the formulation of the world's economic-financial policy. It is with the support of Coleman, Putnam (1993), and Fukuyama (1995), that the concept of social capital, characterized as a new development perspective, becomes a key element in the discussions and studies conducted by researchers of the World Bank on the problem of poverty; and an instrument in the readjustment of that institution's propositions on the subject of economic growth of the peripheral system (see Grootaert, 1998; Grootaert and Bastelaer, 2001).

It is worth to mention the fact that Pierre Bourdieu's contribution to the concept of social capital, which precedes Coleman's approaches on the subject, is mentioned only incidentally, in a series of papers from the Social Capital Initiative of the World Bank, which started in 1996; at the same time, it seems, the concept of civil society began to circulate in the International Monetary Fund (Dawson and Bhatt, 2001). This seems to be definitive evidence of how far the two theoretical contributions are. While Bourdieu is concerned primarily with the construction of a new level of theoretical consideration for the relationship between the individual and society, in order to give more historical consistency to the analyses of life in society; Coleman, who also works in the field of micro-macro relationship, seems to be more interested in detaching sociology from its historical content to give it the sense of a project of rational organization of society. His contribution is more in line with the idea of sustainability of development programs strategically targeted to improve social networks and institutions.

The restrictions on the arguments of Coleman's *Foundations*, largely attached to the theme of corporate actor and the alleged inconsistencies of the arguments used to support the concept (Stinchcombe et alii, p.183-262, 1992; Tuomela, 1993; and Lindenberg, 2003), do not disqualify the author, neither in terms of his importance to American sociology, nor in terms of his role in the historical moment of the sociological thought and the circumstances that characterize the period of economic and political development of the United States and its role in the world economy of the late 20th century. The dimension and the real meaning of the book can be properly assessed only by projecting it on the historical perspective, and by probing the possible reasons why Coleman brought back to the American sociological scene a theme that, for reasons that remain unclear, was abandoned after being widely used by the sociologists of the post-war period. From the end of the Second World War to the mid-1960s at least, the debate on the issue of control of corporate property was subjected to analyses and empirical researches by sociologists who, based on the classic work of Berle and Means (1932), reached positive conclusions about the nature of that process, regarding the effects on social stratification and the impact of these effects on the improvement of the democratic life of the country. The importance of Coleman's texts on the concept of corporate actor is precisely the fact that it makes evident, as opposed to the dominant direction in the thought of the sociologists who worked with the subject before, that Berle and Means knew that the separation between property and control within the corporations, in the movement towards the concentration of power, produced a distortion in the relations, involving the new characters of the economic life and the former actors, a fact that had important repercussions in the political sphere. The "fission of the atom of property," by providing conditions for the creation of managing groups, independent both of shareholders and owners, set up an oligarchic tendency that contaminated the positive sense of the original experience. The constant allusions, in *Foundations*, to Robert Michels' text on political parties ([1982], 1914), sometimes mentioned alongside references to Berle and Means' text on the modern corporation, are indicative of the author's concern to disentangle the characterization of the concept of corporate actor from the problems that result from the bureaucratization of the organizational systems, revealed by the accelerated economic progress of the corporations; as well as the need to avoid a possible contamination of his project of rational organization of society by the "iron law of organizations."

Coleman's original construction, the concept of corporate actor and the articulation of its theoretical roots with the historical trajectory of the corporations in America, has influenced the American sociological thought, apparently, since 1974, with the publication of *Power and the structure of society*. At that time, his analysis fits in a context where the issue of power and social responsibility of corporations serves as the epicenter of a political debate that is about to receive increasing projection in the country. The relative consensus on the existing social science in the American political system, in which, according to Rick Tilman (1974), the ambiguity in the writings of Adolf Berle (co-author of *The Modern Corporation and*



*Private Property*) played an important role, is interrupted by the debate between the supporters of pluralism and of elitism.

In the year 1988, when Coleman introduced the notion of social capital, as related to the concept of corporate actor, which he had been developing since the previous decade at least, and the later theoretical developments of this articulation (in 1990 and 1993), mark the moment when the institutional bases of power in the country are being questioned, when topics such as corporate citizenship and the criticism to the pressures and the advance of techno-bureaucratic tendencies of corporations in the restructuring of the American federal power are entwined in a tangle of questions about the central dynamic of the globalization process and its effects on democracy in the country and the world (for more information see, among other analyses, Melman, 1997; Gordon, 1998; Boggs, 1999; Farazmand, 1999; Sklair, 2002; Carroll and Fennema, 2002; Carrol & Carson, 2003; Skocpol, 2003; Mizruchi, 2004). Coleman's political-institutional project is not just an integral part of this landscape, but one of its key components.

It is no accident that this project of social-oriented change, from within a work that carries the meaning of a general treaty of social theory, according to the characterization of *Foundations of Social Theory* found in Patrick Baert's (p.164, 1998), seems to serve as a line of convergence for a number of issues that circulate in different circles and are reflected in the ongoing discussion in the field of social sciences. The concept of social capital is a key element in the architecture of a Sociology for the new millennium and, as in Coleman, it is from the very core of the American sociological thought that comes the notion of social system and the recent concern with the micro-macro relationship (and strictly in this sense). According to Coleman, as a model of exchange within the system of social action, the idea of social capital serves as a conceptual tool to work a combination of two theories, descriptive and interpretive, of social action: the first is manipulated by most sociologists, who understand that the social action is guided by rules, regulations and obligations; and the other by most economists, who see the actions of the actors as independent and oriented towards self-interest (S95-S96, 1998). In a sense, in this manner, he tends to turn the paradigm of rational action into the international language of the social sciences. But beyond that, what seems to be decisive in the theoretical context of the late 20th and early 21st century is its relationship with the new theory of development, reflecting the institutional problems of American society and the reconfiguration of the international division of labor.

The theory of development that emerges at the end of the 1980s, to replace the various versions of the structuralist kind that were predominant back then, has the technological rationality for economic matrix (for more information see, among other texts, Grief, 1994; Evans 1996; Hyden, 1997; Nahapiet & Ghoshal, 1998; Woolcock, 1998; Fine, 1999 and 2001; Woolcock & Narayan, 2000; Fevre, 2000; Maskell, 2000; Biggart & Castanias, 2001; Piazza-Georgi, 2002; Routledge & Amsberg, 2003; Bezemer, Dulleck & Fritjers, 2004). In general, the new theory is organized based on the activity of transnational corporations, and its key elements of social and political support and justification are based on the cultural bias constructed primarily through concepts such as social capital and civil society, that serve as privileged tools for the characterization of differences in development, registered at the regional, national and local level.

One of the most significant manifestations of this direction in the theory of development is the theory of endogenous growth, which incorporates the theory of human capital as a sponsor of the technological change. Formed in the mid-1980s, this theory, developed by Paul Romer (1986, 1989 and 1990), was widely discussed in the American academic circles and, in the 1990s, it was integrated, together with the theory of social capital, into the sophisticated system of analyses and definition of strategies for global economic growth, managed by international agencies such as the World Trade Organization, the World Bank, the International Monetary Fund, and the Organization for Economic Co-operation and Development, etc.. Among the main arguments, supported by Romer's theory, mostly inspired by Joseph Schumpeter's theory, it is evident the existence of a conflict between innovation and perfect competition, the need for free trade, and investments in large corporations as the preferred route for the promotion of economic growth through the access to new technological solutions; making use of the same criteria to explain the existing gaps in the economic indexes of different countries.

Although there are links explicitly recognized by the respective authors of the theories of endogenous economic growth and social capital, there is no doubt that the inclusion of both theories within the same circuit, which explains and proposes global policies sponsored by international organizations, is due to the existence of a series of converging elements between them, important elements that represent the

main direction of the theory of development that takes shape. For example, the nerve center of both theories is located in the large modern corporations, and they both develop a critical awareness of the theory of perfect competition, they see communication as a form of external economy, and include the process of organizing information in the evaluation of the social costs of transactions.

On the other hand, in the case of the emerging theory of development, it is quite common to find evaluations of the process of economic development being performed with privileged analytical tools: theories such as rational choice, public choice, game theory, network theory, agency theory, micro-macro relationship, human capital, social capital, trust, corporate citizenship, civil society, corporate governance, institutionalism, communitarianism, etc.; all guided by short-term perspective. This combination of conceptual and theoretical fields also serves to inform, explain and justify the global, regional, national and local economic and social policies under the aegis of international organizations, whose catalyst is the concept of social capital. As a result, the concept has become the “missing link” in the theory of development, and the “glue that keeps societies together,” to mention the most suggestive metaphors found in the studies conducted by members of the staff of the World Bank, as noted by Ben Fine (p.158, 2001).

Due to the rapprochement between James Coleman’s theory and Paul Romer’s theory of growth, it becomes quite clear that the role of the concept of social capital is to act as a kind of microsystem that serves as the point of theoretical equilibrium for a process in which the technological innovation represents the fundamental dynamics, and the information system – controlled by large corporations – the key way of defining strategies to ensure the reproduction of business, all justified by the “imperfections” of the market.

Keynes, quite rightly regarded as one of the leading representatives of the social theory of the 20th century (Lemert, 1999), outlines the main strategy of the theory of development defined at the end of the century, after the supposed exhaustion of his economic philosophy. In *The General Theory of Employment, Interest and Money* (1936), he affirmed that the theme of “state of confidence” had never been handled properly by the economists, who treated it only casually and superficially. This was not the case of the “practical men” who made this issue the subject of continuing interest and concern (p. 136, [1943], 1936). As noted by Jeffrey Alexander (p.150, 1995), Keynes, on this occasion, suggested that, given the inability to objectively know the future, apart from probabilistic projections, a door was opened for irrational motivation and the concept of trust.

Keynes’ observations point to the core of the theory of development, created to explain and justify the contemporary economic movement and its impact on the political level. As a microsystem of equilibrium for the social relations, the concept of social capital seems to be perfectly adapted with this scenario as its principal field. Among the multiple characterizations of the concept, especially within the sociology produced in, or derived from, the United States, two of them define, in my view, its substance. It is, in fact, a double substance. The first has a subjective nature, and the other an objective nature. From a subjective point of view, the common substance is trust, which some see as a key element due to its condition as a factor of conceptual convergence and aggregation. The objective substance, common to all approaches to the concept of social capital, is undoubtedly the issue of information. Taken as a triggering and encouraging factor to the entire process of building stable social relationships, information has become a link to articulate the process of rationalization technique induced by the productive system and the ideological emptiness of the social conflicts, reduced to cultural and group differences.

As a microsystem of information, the concept of social capital, in recent years, has become a key element in the formation of the new economy paradigm: the process of creative destruction (see Greenspan, 1999; Aghion and Howitt, 1992; Nakamura, 2000; Halal and Taylor, 2002; Grennes, 2003; Alcouffe and Kuhn, 2004). Thus, it will surely be a part of the context in which is included the process that Ulrich Beck (p.12, 1997) classified as the “reinvention of industrial society,” i.e., the process of “reflexive modernization,” or “creative self-destruction of a world order;” and Giddens (chap. 2, 1997), in turn, characterized as a movement of abandonment, disembodiment and problematization of tradition (or “detraditionalization”), included in the emerging modernity.

On the other hand, the concept of social capital, perceived primarily as a microsystem that mobilizes trust, corresponds to the subjective counterpart of the modernization process, connecting the concepts of risk and reflexivity (Coleman, chap. 5, 1990; Giddens, op. cit. chap. 1 and 2), and incorporating the obligations and moral sentiments contained in the cultural basis that supports the prosperity of the post-industrial society (Fukuyama, Part I, 1996).

Within this double substance is the reason for the wide diffusion of the concept of social capital in the debate on public policies, in virtually all levels and instances of verification. It is this property of combining discourses that gives the concept the strategic function it has in the new theory of economic development and in the definition of directions for sociology and social sciences in the new century.

It is necessary to consider the concept of social capital within the historical perspective of the third technological revolution to understand its real and effective meaning. The concept of social capital, as originally defined by Coleman, i.e., its role in the creation of human capital, is a typical product of the so-called “knowledge society” or “information society.” Even though the economists, as suggested by Ben Fine (ibid: 97), consider the notion of social capital a non-market way to explain the imperfections of the market; from the point of view of the notion of economic and social development derived from the technological change, that is, from the point of view of the predominance of an essentially technical rationality as the key element of social change, that same notion is the epistemological complement of the concept of human capital. And, in this sense, it acts as a decisive factor in the socio-cultural and political metabolism of acceptance, not only of the imperfections of the market, but also of the inevitability of economic facts.

A concrete evidence of this condition is the historical correlation between the emergence and diffusion of the concept and the expansion, in the last decades of the 20th century, of the debates and political and theoretical disputes about the nature and scope of the industrial property law, settled on the process of expansion of new information and communication technologies and their impact on the need to redefine the intellectual property right.

James Coleman offers very important hints of this event in several moments of *Foundations*. Among the cases he examined, one of the most illustrative is the characterization of the practical inalienability of the social capital, when compared to other divisible goods and objects of private property, such as physical capital and human capital, and the primarily social sense that characterizes them as an attribute of the structure of relationship in which the individual is embedded (chap.12). Also suggestive is the chapter devoted to the examination of the corporate actor as a system of action, which emphasizes the analysis of the effects derived from the development of computer technology in the erosion of property rights over ideas and innovations produced in activities promoted by corporations (chap. 16). This is due to the fact that the new organizational structures that come out with the development of computer science promote the facilitation of the “transport of ideas” from one sector of the industrial activity to another, enable the organizational autonomy of corporations (and workers), strongly stimulate the link between research and researchers based in universities and companies, etc. Induced by the new technology, the organizational structures of the corporations, in general, tend to accept a new way of allocating property rights to ideas and innovations produced in activities developed within the organizations, to protect the rights of the “corporate agents” involved, thus shaping the diffusion process of the concept of shared property, between the corporation and its employees.

The phenomenon identified as “deindustrialization,” or “route to the information economy,” or “outsourcing,” which, in essence, defines what is conventionally understood as the emergence of “knowledge society” or “information society,” and whose incidence becomes constant in the economic literature of the advanced countries, especially in the United States, in the early 1970s, setting the time and environment in which the concept of social capital emerges. The idea of social capital, defined by its primary function of creating human capital, corresponds, in the words of an American economist, to an “*imperative to consider humans as commodities*,” or, according to Theodore Schultz, to consider them as “*human capital machines*” (Adams, p.627, 1982). Within this logic, the concept of social capital is an instrument to identify the collective substance of the knowledge present in the human capital and, thus, it works to characterize the field of what is “common,” i.e., what is in the public domain and requires an organization that is agile and able enough to control its implementation and to make it useful for “all” society.

The acceptance, by the social sciences, of this theory of the social origin of the workers’ knowledge, which in a particular historical moment corresponds to the need for a controlled socialization of this knowledge, is a step in the restructuring of the concept of property concerning the directions defined by the development and expansion of technology, as well as the conditions that emerge from the competitive process. In this sense, the concepts of social capital and human capital are part of the set of situations that, at some point, forces the business logic to develop an intensive effort to extend the planning of wage costs, well beyond the sphere of contract negotiation, to get involved in the very organization of the worker’s life. This

effort, wrapped in market logic, lies behind the attempt for an integrated planning of the innovation-production-consumption cycle, which in the late 1970s would be translated into the idea of *prosumer*, developed by Alvin Toffler to represent the end of the divorce between producer and consumer. A trend that would be accepted in academic circles related to the theory of business organization through the notion of mass customization.

This concept, which began to circulate in the United States in 1987, with Stan Davis, is presented as a supposedly holistic view of economic life, whose objective is oriented towards the conversion of forms and patterns of consumption into factors to determine patterns and forms of the production process, justifying this objective through the impact brought to life in general by the innovations induced by the new communication and information techniques (Boynton, Victor and Pine II, 1993; Davis [1996], 1987, 1994, 1998; Davis and Meyer, 1997, 1999; Cox and Alm, 1998; Pine II, 1994). It fits in the perspective of a new stage of the evolution of the large multinational corporations, in the face of changes that have occurred in the market, that is, a market that shifted from seller to buyer, imposing innovation and exclusivity as the new characteristics of the demand, according to the analysis of Bolwijn and Kumpe (1990).

It is within this scenario that the conceptual field of the social theory developed around the "intangibility" of the work would be improved by another concept, that of intellectual capital, which begins to circulate in Thomas Stewart's journalistic texts in 1991 and 1992, and was published in his book *Intellectual Capital: the new wealth of organizations* in 1997. This concept, the subject of much consideration in the theory of organization, is most concerned with the analysis of the process of knowledge manipulation in corporations (see, among others, Liebeskind, 1996; Spender 1996; Spender and Grant, 1996).

In general, the concept of intellectual capital is surrounded by imprecision. There are three aspects that seem to be more consistent in its analysis: first, its connection to the so-called new economy; second, its field of action, the sphere of business organization, when its origins are connected to the thought of Alfred Marshall and the statement that knowledge is its most powerful engine of organization; and third, but not least, its character as a complementary notion to the concept of human capital (on these three aspects, see Saint-Onge, 1996; Nahapiet and Ghoshal, 1998; Ullrich, 1998; Edvinsson, 2000; Nerdrum, 2001).

It becomes evident in the writings of the different authors that examine the emergence and content of the concept of intellectual capital, that the idea that the organization, and especially a particular type of organization, the corporation, is the institutional context par excellence for its development. It is also perfectly clear, from presentations on the theme, the condition that the concept of intellectual capital assumes as a strategic element of survival for corporations in a highly competitive environment, which is translated into the notion of mass customization, representing a turning point that occurred in the capitalist market in recent times.

Usually, it is omitted from the consideration of the emergence of the concept of intellectual capital, and its rapid expansion in the circuit associated to the study on the effects of the new information and communication technologies on business organizations, the facts that intervene in the national economies, derived from changes in the international division of labor, decisive facts that trigger a movement of rearrangement for the power relations and property rights.

An important observation in this respect is included in Lester Thurow's analysis of the action of new technologies in the process of reorganizing the world economy (2000). Thurow identified two moments in the process of globalization. In the first phase, or wave, following the Second World War, the process of integration of the world economy was led by two large blocs of nations, structured around the Cold War. At this stage, the companies, still highly dependent on their countries of origin, tend to expand their transnational borders. In the second phase of the globalization process, which began around the 1980s and accelerated in the 1990s, with the development of the Chinese economy and the dismantling of the Soviet Union, the technological advances would serve as an instrument for the expansion of the private sector, conditioning the behavior of the countries of origin and those in which they have settled to their economic and financial interests. It would be in this context that the issue of intellectual property would become the main uncertainty of the international economic system.

Significantly, with the heated discussion on the intellectual property rights, the issue of the English enclosure laws would re-emerge. Even Lester Thurow (1997), commenting on the importance of information and information technology in the movement of globalization, reiterated the importance they had in the onset

of the Industrial Revolution, and emphasized the need to examine very carefully the issue of property rights in order to prevent those rights from turning into a great confusion, due to the interests of powerful economic groups.

One of the most interesting and important aspects of the debate on the intellectual property rights, in the face of technological changes in course, refers to the analysis of the aforementioned laws that regulated the use of productive land in England from the 15th century onwards, regarding the characterization of the common domain as public domain and their relation with the private domain. This is the case of the analyses conducted by James Boyle (2002 and 2003), in order to characterize the attempts to regulate intellectual property that were then beginning to be defined as the second historical moment of occurrence of enclosure laws, now targeting the privatization of intellectual property. That is, “*the enclosure of the intangible commons of the mind*,” as stated by Boyle. The approach of this author captures the remarkable expansion of the intellectual property rights in recent times, ranging from the patenting of scientific knowledge, to new methods of production and doing business, to digital systems, etc., to the point of threatening the old boundaries of intellectual property. His testimony is eloquent:

That baseline — intellectual property rights are the exception rather than the norm; ideas and facts must always remain in the public domain — is still supposed to be our starting point. It is, however, under attack. (...) the commons of facts and ideas is being enclosed. Patents are increasingly stretched to cover “ideas” that twenty years ago all scholars would have agreed were unpatentable. (...) In the new vision of intellectual property, (...) property should be extended everywhere; more is better. (p. 38-40, 2003).

The similarities between the first movement of the enclosure laws and the process that the author considers to be the second movement of the same type increase while the opposition to the attempts to expand the process of privatization of ideas is described as economically inconsequential, and the beneficiaries maintain that the expansion of property rights is necessary to ensure progress. But even though there are similarities between the two movements, there are also dissimilarities. In contrast to the enclosure of productive lands in which, generally, the use of land for certain purposes prevented it from being used by others, Boyle points out two of the directions in which this dissimilarity can be identified. First, the intangible commons of the mind can be simultaneously used by multiple users and the use does not exhaust them. Second, it has been observed that excessive protection of intellectual property rights brings many problems for the process of industrial innovation, increasing costs and reducing access to resources needed for the development of new products, and it also creates difficulties for the communication and collaboration between sectors of scientific research (Boyle, op. cit.: 40-3; see also: National Research Council, 2000; David, 2001; Hansson, Husted and Vestergaard, 2005).

These observations by Boyle point to the less obvious meaning of the idea of mass customization as the proposed new matrix of economic life. Every discourse involving this concept in the writings on the theory of business organization is based on the imperative of technological innovation as a formula to support the competitiveness of companies in the face of a highly volatile market; which is basically “buyer.” What defines the change in the “product-process” matrix from “stable” to “dynamic,” according to the theory, is precisely the condition in which the invention is accelerated by innovating processes and combined with the constant quest for a variety of products (Boynnton, Victor and Pine II, 1993). This is a very strong reason for the importance of the issue of intellectual property and patent dispute in the last decades of the 20th century. But it is certainly not the only reason, nor the most important.

The support for questioning the legitimacy of appropriation of inventions and innovations developed in the industrial production process conducted by the companies can be found either in the comments on the division of labor by Adam Smith (Smith, v.I, 1981), or in Karl Marx (v.1, Section IV, 1946), for example. The same arguments found in these classics of political economy can be used to discard in the attic of the market formulas of the techno-bureaucracy the idea that the innovations are imposed by the demand for products. What is evident from the analysis of the circumstances in which the innovations are developed is, in general, the need to implement the control systems that the companies exert on the “intangible commons

of mind,” in order to maintain their power over the chief-engine of production (Freeman, 1994; Uzunidis and Laperche, 1997; Alter, 2002).

While the free-market supporters of the 19th century were strongly against the intellectual property rights, because they thought it was a remnant of feudal monopoly, as indicated by Perelman (2003a); today, the intellectual property rights promote radical changes in the nature of competition. In the face of the new market situation, the corporate control over intellectual property rights, unlike the corresponding property rights over material goods, is a control that is exerted directly over people and assumes a much more intrusive feature.

The conditions for the verification of this control present peculiar characteristics. Perelman (2003a and 2003b) draws, from the writings of Marx, a highly suggestive framework to project these peculiarities that, in a given moment, work to turn the issue of intellectual property into the key element of the changes driven by the computer revolution in the international division of labor. This is about the concept of universal labor, addressed by Marx in his writings to emphasize the fact that the ideas and discoveries are always a collective product, and not the product of a single person or organization. One of these texts is particularly interesting. It is the one in which he mentions the fact that fixed capital is used to demonstrate that knowledge has become a direct force of production, emphasizing to what degree “*the conditions of the process of social life itself have come under the control of the general intellect and been transformed in accordance with it*” (Marx, v.2, p.230, 1982). According to Perelman, Marx would never consider this to be the root to overcome the capitalist system, but he was certainly aware of a major change in the traditional view of the system of market competition. It was the beginning of a new market landscape, in which “*capitalists can no longer pretend that they are serving a social function fostering accumulation by driving workers longer or harder or even by organizing them efficiently*” (p. 306, 2003b).

The dispute over intellectual property would remain shrouded in ambiguity as long as the process of appropriation of the knowledge of others was done with virtually no cost to the companies. That is, as long as “universal labor” was not important. However, on two occasions, things seemed to be changing, says Perelman. The first moment of pressure on intellectual property would be during the great world economic crisis, in the late 19th century, when the economists realized the importance of intellectual property as a strategic element to reverse the course of events and avoid economic disaster. The second moment would begin, in the United States, in the 1960s, when, to overcome the stagnation that involved the country’s economy, the attention was turned again to the intellectual property rights. Then, “*Although many old line industries could no longer compete effectively in world markets, exports of intellectual property in the form of royalties and copyright fees soared.*” (p. 307, 2003b).

These two moments correspond to well-characterized stages in the development of a conception of the relationship between capital and labor, whose basis of theoretical support is the link between the business sector and the social sciences. The transition from the 19th to the 20th century was marked, in the American society, by the need to increase industrial productivity, as well as an effort to valorize the work and the worker; and many experiences aimed at increasing the control over the organizations, both in the business sector and work sector, were implemented with that base. The second stage is guided by structural changes in the American economy, derived from the technological development. These changes are first observed in agriculture. Beginning in the 1930s, and increasing in the following decades, it is possible to identify a technical revolution in the primary sector of economy, which is manifested in the new designs of farm machinery, the business improvement, and the capitalization of farms (Oehmke and Schimmelpfennig, 2004). In the following decades, the technological advances in the industrial process cause the migration of large numbers of workers to the service sector, resulting in the phenomenon of “deindustrialization,” which, in fact, represented a broad restructuring of the economic activities of developed countries in general, but whose impact was more severe and remarkable in American society. It is this context that provides a more precise definition of the rapprochement between the sociological theories and the theories of business organization, an intellectual movement that is expressed mostly in the two stages in the consolidation of economic sociology.

Among the formative tools of this theoretical architecture, far from Marx’s solution of “universal labor,” are included the concepts of human capital, social capital and intellectual capital, which, in general, intend to translate the new nature of capital, created within the structure that broke with the classical conception of property – the corporation. Instead of dialectics, what supports and ornaments this theoretical

construction is the conception of economic development inspired by Schumpeter, to whom all logic is derived from the model of economic decision (p.122-123, 1996).

In the analysis of the logical matrix that guides the formulation of the theory of social capital assets, the recognition of the complementary character of the concept of intellectual capital, as related to that of human capital, seems to be nothing more than a reaffirmation of the role of social capital in the creation of human capital. The analysis of the context in which this function works, however, makes it possible to discern a fundamental difference between the social capital and the other capital assets. As a source for human capital and intellectual capital, the social capital is an expression of what is common not only to all workers, but to all individuals in general and does not belong to any one in particular. Social capital has value in use, but it has no exchange value, as said by James Coleman. It does not belong to anyone. It is not only common, it also is public. The opposite is true both to the human capital, which is, within this line of argument, the universal substance of intelligence, for workers and non-workers; and to the intellectual capital, which is the raw material of innovation and is activated under very special circumstances. While human capital represents the knowledge and experience of the individual, and has use value and exchange value, and therefore it is not public; the intellectual capital is defined as such only within the corporation, as an “organizational advantage” of the corporation and, consequently, something that is “common” because it was appropriated by the corporation on behalf of the “corporate community,” but is not public.

From the solutions provided by the social theory to characterize the work sector as an extension of the capital sector, social capital is the only form of intangible capital that remains relatively infungible and unexchangeable. In the different versions of the concept (Coleman, Putnam or Fukuyama), its dominant feature is its condition of idea unaffected by interests other than those of the groups involved in its creation. It is a natural product of the social system, or the social structure that includes the individuals. Within the social systems are defined the rules of human coexistence that will become the social capital of these individuals. It is from there that it derives its common and public character. This is how it acts as an instrument that changes universal labor into intellectual capital, by announcing its preventive enclosure and promoting the process of legitimizing the privatization of knowledge implemented by the corporations.

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