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SOCIAL CAPITAL AND ATTITUDES TOWARDS MONEY

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The objective of this research was to assess the mechanism through which the individual level components of social capital, that is, individuals' levels of trust, tolerance and civic identity affect their economic behavior. The sample of the study included 634 respondents aged 20 to 59. A structural equation model relating social capital with economic attitudes was specified and tested controlling for age, gender and education. We found that higher levels of individual social capital were associated with adverse monetary attitudes. Attitudes toward money as a means of influence and protection and the desire to accumulate it reflect a personal sense of dependency on money and lead to constant concern about it. A greater social capital, by providing social support that serves as an alternative source of security, influence, and protection, may reduce this dependence on money. An important finding of our research has been that the component of social capital that correlated most frequently and strongly with monetary attitudes, was civic identity. Generally, based on our findings we propose that the negative association between monetary attitudes and individual level social capital suggests that, when social capital decreases, people try to compensate by accumulating financial capital.

JEL Classification: Z13 (Economic Sociology).

Keywords: social capital, trust, monetary attitudes, social cohesion, civic identity.

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Introduction

During the recent decades there has been a shift in the social sciences from the so-called ‘conflict paradigm’, i.e. from the analysis of intergroup differences and social conflicts towards the analysis of social integration. One aspect of this transition is the active development of the social capital theory. If in 1991, there were only two references to social capital in the Web of Science, in 2005 and 2006 there were already 403 and 443 references respectively (Ostrom, Ahn, 2010, p.18). In general, these studies have demonstrated that societies that have a special ‘relations resource’, which is expressed in mutual trust, solidarity, common standards, and equality are more successful in their economic development, and people in these societies have higher levels of subjective well-being and health. In the field of social psychology, there is a relatively small amount of works devoted to social capital, and they all aim to study its relationship with the mental health and psychological well-being of the individual. The whole variety of researches still evades the issue related to mechanisms of the social capital influence on the economic development of societies. In fact, social capital is the relations between people which can be converted into financial capital. How does this conversion occur, and what changes in economic behaviour of people emerge with the advent of social capital? The scientific relevance of the research is to formulate and study the problem of the social relationship with individual economic behaviour through which social capital leads to an increase in the material well-being of the society as a whole. In both a theoretical and an empirical sense, it still remains unclear as to how social capital of civil society affects economic parameters. The mechanisms of this relation and the spill-over effects remain under-researched (Westlund & Adam, 2010 p. 900).

Theoretical background

The concept of social capital is very general and, partly due to this, has been used in explanations of a wide variety of socio-economic phenomena (Grootaert, Van Bastelaer, 2002). Interest in social capital has expanded rapidly in sociology, social psychology and economics; The number of references to social capital in the Web of Science grew from two in 1991 to 443 in 2006 (Ostrom, Ahn, 2010, p.18). Häuberer (2011) has summarized the main findings and proposed a useful broad definition of social capital as “resources embedded in social relationships that benefit purposive action” (p. 148).

Many researchers have drawn upon the concept of social capital to understand economic development. For example, studies have credited social capital with contributing directly to economic growth (Helliwell, Putnam, 1995; Knack, 2003), with creating conditions for economic growth (Woolcock, 1998; Torsvik, 2000), with increasing the share of investments in GDP (Knack,

Keefer, 1997; Coates, Heckelman, 2003), and with reducing income inequality (Zak, Knack, 2001). However, the underlying psychological mechanisms of the effects of social capital on individuals' intentions and behavior are not widely understood.

Social capital can have a direct impact on certain types of economic behaviour. The confidence level affects investment and financial behaviour. In particular, it has been demonstrated that in Italian regions with a high level of social confidence, people use checks more readily than cash, invest in stocks, have access to institutional credits, and are more reluctant to use informal loans. The financial behaviour of people who have moved from one region to another is largely determined by the confidence level in a community where they have moved from, and not where they have moved to [Healy et al. 2001]. Confidence is associated with the fact that people are starting to use credits more actively [Knack & Keefer, 1997]. Social capital is associated with saving behaviour. It has been shown to influence saving behaviour in teenagers [Ssewamala et al. 2010]. Networks being an element of social capital are changing the behaviour of people in finding work and make it more successful [Barbiery, Russel and Paugam 1999].

In a study of the predictive ability of the theory of social capital in relation to purchasing behaviour, it has been demonstrated that this theory is to predict consumer behaviour [Miller, 2001]. In this case, the fact that humans belong to one community and have a common social identity gives rise to reciprocity relations. The study has revealed that reciprocity is a mediator of belonging to community and consumer behaviour [Miller, 2011, p.487].

From here, the assumption that social capital can be linked to real economic behaviour and economic and financial attitudes of an individual is justified. Pre-existing empirical studies have shown that social capital has an impact on different types of economic behaviour of humans.

The next question which we will shortly discuss is a question about measurements of the social capital for our research.

a) A central dimension in the conception and operationalization of social capital by most researchers is the degree of trust that members of a society have in one another and in the social system (e.g., Fukuyama, 1999; Putnam, 2001). This dimension serves as a basic indicator of social capital in the majority of empirical studies (Svendsen, 2010). However, one has to differentiate between particularized trust, which we invest in family, friends, neighbors and colleagues and diffuse or social trust which means the extent to which individuals within a society tend to make positive evaluations of the trustworthiness of their fellow citizens (Allum et al.41). In our research we have estimated *generalized trust* (Putnam, 2001).

b) The next dimension of social capital is group identity. Group identity was considered earlier by other authors as one of components of the social capital (Nahapiet, Ghoshal, 1998). In our case it will be social identity or more exactly *civic identity*. From our point of view, civil identity

can be defined as a part of the personal self-concept, or more precisely, as the individual's knowledge that he/she belongs to certain society together with some emotional and value significance to him/her of the society membership.

c) The basis of social capital is the quality of attitude towards social relations to those objects with which an individual interacts. However, an attitude toward social objects is impossible without their perception and understanding of them. Social images are also associated with human behaviour and their social attitudes. Consequently, the study of social capital effects on economic behaviour and economic setting must necessarily involve the consideration of *perceived* social capital (Van Staveren, Knorringa, 2007). It may particularly affect binding social capital, and it is likely to be a factor mediating the effect of social capital on economic behaviour.

The perception of the level of social capital is important for one's own orientation toward success and economic activity. For instance, Kilkenny et al. (1999), based on the empirical data obtained from the study of 800 small companies in 30 cities in Iowa, have demonstrated that the perceived support of the local community combined with equality and in-house support are in a positive way and highly significantly associated with the employees' perception towards the success of their companies [Kilkenny et al., 1999].

The added value of the present research is:

- a) to consider one possible psychological mechanism through which the level of social capital in a society affects economic attitudes. The mechanism we examine is the mediating role of economic attitudes. This focus is in line with general theories of attitudes (Eagly, Chaiken, 1993) and the Reasoned Action (Fishbein, Aizen, 2010) in social psychology
- b) to specify and test a structural equation model that relates social capital (perceived social cohesion, level of general trust, positivity and strength of civic identity) together with the demographic variables of education, gender, and age to attitudes toward money.
- c) to test whether social capital (perceived social cohesion, level of general trust, positivity and strength of civic identity) mediates the effects of age, gender and education on economic attitudes partially or fully.
- d) by using a Russian sample we can study the effects of a society in transition from a centrally planned economy to a market economy.

So, it is necessary to check the number of specific hypotheses on the connection of measurements of social capital (general trust, civil identity, and perceived social capital) with monetary attitudes. The logic of causality from levels of trust and of perceived solidarity to monetary attitudes is straightforward. If individuals do not trust those around them and do not feel solidarity with them and expect mutual social support, they will strive to compensate for this lack of

experienced social capital by insuring their security and welfare through other means. One alternative is to maximize financial capital. Financial capital can refer to money used by entrepreneurs and businesses to buy what they need to make their products or provide their services or to that sector of the economy based on its operation, i.e. retail, corporate, investment banking, etc.

If the social environment comprises a number of people *contributing with their social capital* (confidential, tolerant to out-group members having high civic identity), it leads to a decrease in the number of economic behaviour types that impede the development (tax evasion, bribery). An individual begins to behave in such a way that enhances social capital, because he or she a) follows the general rules, and b) produces 'investment' in the social environment in order to maintain social capital, which creates a favourable environment for his/her economic behaviour.

Concerning *perceived social capital*, the evaluation of the social environment as having a high level of social capital leads to a) an increase in time perspective of his/her economic behaviour (which should lead to the connection of social capital with the investment and saving behaviour), and b) increased confidence in the stability of the society (which should be associated with readiness to start a business, use credits etc.)

Therefore, when people behave in a way that increases the social capital of the society, they whether consciously or not, act to create favourable conditions for themselves in order to realize economic behaviour and to improve their own living standards. Accordingly, an individual's attitudes based on which social capital (e.g. readiness to confide) is evaluated should be related to economic behaviour or economic attitudes.

We suggest that social capital affects economic behaviour when two conditions are met. *Firstly*, when the individual himself/herself contributes to social capital, although this does not allow them to behave improperly within the environment and benefit at the expense of others. *Secondly*, when an individual evaluates the social capital of the environment as high, this gives them the opportunity to (a) enhance his/her economic activity, and (b) tends towards a higher degree of economic risk.

Hence, we expect that the level of trust, of civic identity and of perceived social solidarity (perceived social capital) will promote attitudes which will favor the maximization of financial capital.

We also suggest that higher levels of civil identity increase attitudes which favor the maximization of financial capital. The reverse causal direction seems less plausible. The degree of one's civil identity affects various parts of an individual's life, for example, the attitude to representatives of foreign culture, representatives of one's own culture, as well as monetary attitudes. In particular, a negative and weak civil identity, as a result of the uncertainty of an

individual in its own country, may be connected with money accumulation. The objective of such accumulation is the acquisition of confidence and use of money as means of influence on the surrounding social context, which has insufficiently operating laws, corruption, etc. Thus, the consequence of monetary attitudes is not a condition of civil identity, but monetary attitudes may change depending on the degree of civil identity.

Therefore we can state the following as hypothesis 1.

H 1: The higher the social capital (perceived social capital, level of general trust, positivity and strength of civic identity), the more positive the monetary attitudes are.

The literature on the determinants of social capital and the empirical evidence shows that increasing education has also a positive effect on social capital (perceived social capital, level of general trust, positivity and strength of civic identity) (Svendsen, 2010). Therefore hypothesis 2 can be formulated as follows:

H 2: The higher the education of an individual, the higher the social capital (perceived social capital, level of general trust, positivity and strength of civic identity) of the individual.

Due to the fact that, on average, men still hold higher occupational positions in society and are better integrated into professionally relevant networks (Lin, 2001), we also hypothesize that gender affects individuals' levels of social capital. Specifically:

H 3: Men have a higher social capital than women.

The case of age is more complicated. With advancing age, people attain higher occupational positions and become more integrated within social networks. However, following retirement, and sometimes even earlier, integration diminishes slowly or more rapidly depending on one's final occupational status. This last aspect is less relevant for our empirical analysis, as all respondents are under 60. In any case we can postulate the following relationship (Lin 2001).

H4: The higher the age, the higher the social capital.

Although we argue that the effects of the socio-demographic characteristics on attitudes toward money are mediated through subjective social capital, we have no theoretical grounds for positing whether the mediation is complete or only partial. We therefore test for both full and partial mediation in the models described below.

Method

1. Participants in the study

Between May 2010 and March 2011, a convenience sample of Russian adults responded to a questionnaire. The sample included 634 respondents (304 men and 330 women), aged 20 to 59, with a mean age of 40 years and a median age of 41. We have used a simple random sampling system.

Respondents were recruited in seven different regions of Russia: The Moscow Region - 16,5% of the sample, Irkutsk Region – 16,4%, Kemerovo Region - 38%, Transbaikal Province - 14,6%, Republic of Bashkortostan – 10,8%, Stavropol province – 3,3%, and Chechen Republic – 04,% . The sample were relatively highly educated, with 2.4% having completed general secondary education, 21.1% with specialized secondary education, 21.5% having partial higher education, and 55% with a higher education. The sample exhibited the substantial heterogeneity of occupations.

2. Instruments and indicators

2.1 Social capital (see Appendix A).

Social capital was measured via three first order factors (latent variables), which themselves were measured by multiple indicators in the case of perceived social capital and civic identity, and by one item in the case of generalized trust.

1) *Perceived social capital*: Respondents rated how typical five different behaviors that express cohesion and reciprocity are among the people in their environment (e.g., Behaving respectfully to one another). For that we have used five items on a 5-pt scale (see block of questions #1 Appendix A).

2) *Civic identity* (self-developed instrument). We assessed two aspects of civic identity, strength and valence, each on a 5-pt scale.

a) Respondents indicated the *strength* of their civic identity in response to the question: «Do you feel that you identify closely with your country (Russia)»? (question #2 Appendix A).

b) They indicated the valence of their civic identity in response to the question: Which [one] of the following describes your feelings about your [Russian] nationality (pride, confidence, none, offence, shame)? (question #2 Appendix A). According the instruction, respondent was required to choose one of them.

3) *Generalized trust*. We assessed individuals' general level of trust with the following question from the World Values Survey: Generally speaking, do you feel that most people can be trusted, or that you can't be too careful in dealing with people? (Labeled at the end points 1—you can't be too careful, 5—most people can be trusted) (question #2 Appendix).

2.2 Monetary attitudes.

We administered the Russian version of the Money Beliefs and Behavior Scale developed by Furnham (1984; Furnham & Levis, 1986). This scale consists of four sub- scales that he labeled Inadequacy, Power, Retention and Security. The content each set of subscales and characteristics of reliability you can see in Table 1, Appendix B.

Appendix B contains the matrix of correlations among all of the variables used in this study.

For the data processing we have used the method of **Structural equation modeling (SEM)**. Structural equation modeling is a powerful multivariate method, allowing the evaluation of a series of simultaneous hypotheses on the impacts of latent and manifest variables on other variables, taking measurement errors into account. As SEMs have grown in popularity in recent years, new models and statistical methods have been developed for a more accurate analysis of more complex data.

Major applications of structural equation modeling include:

causal modeling, or *path analysis*, which hypothesizes causal relationships among variables and tests the causal models with a linear equation system. Causal models can involve either manifest variables, latent variables, or both

confirmatory factor analysis, an extension of factor analysis, in which specific hypotheses on the structure of the factor loadings and inter-correlations are tested

second order factor analysis, a variation of factor analysis, in which the correlation matrix of the common factors is itself factor analyzed to provide second order factors.

Results and Discussion

a. Test of measurement models and descriptive results

Insert Figure 1 here

We applied a two step strategy for testing our models. First we tested the measurement models and then we estimated the full structural equation models (Anderson, Gerbing 1988). Initially, we used confirmatory factor analysis to evaluate the reliability and validity of the monetary attitude factor structure, suggested by Furnham in our sample with the Russian version.

Table 1 shows the factor structure of each of the four monetary attitudes, considered separately. We eliminated items until we obtained the performance measures of quality that met the commonly recommended cut-off values for model fit (see Brown, 2005). These were: $p > .05$, CFI $> .95$, RMSEA $< .05$, and $p\text{-level} > .50$. The original scale consisted of 55 items. Based on selecting only those items that exhibited good validity in terms of factor loadings and that formed reliable scales, we used only 17 of these items. Each of the four monetary attitudes was measured by at least four items. Table 1 reports the fit measures and standardized factor loadings from the separate confirmatory factor analyses.

Insert Table 1 here

Table 2 presents descriptive statistics for all of the variables used in further modeling with SEM.

Insert Table 2 here

b. Structural equation models

Figures 2 to 5 present the results of the structural equation models for the influence of gender, education, age and social capital on each of the four monetary attitudes. We performed all the analyses with AMOS 19 using Maximum Likelihood Estimation (Arbuckle, 2010). We have presented the standardized coefficients in the Figures. From each of the structural models (which you can see below) the variables which worsened the quality of models have been excluded. Thus, the total models contain a smaller quantity of variables, in comparison with what is specified at the description of a technique of research.

Insert Figures 2, 3, 4 & 5 here

In Figure 2, one finds the standardized coefficients for the model to explain retention. Firstly one can see that the indicators of retention and the indicators of social capital all have sufficient factor loadings over .40, with one exception. This exception is trust which has a very low loading of .18, which shows that this indicator has a low formal validity and seems to measure a different facet of social capital compared with civic identity and perceived social capital. The strongest predictor of Retention is social capital (. -31), which has the expected negative sign. In other words the more social capital people have, the lower their Retention is. Age has the strongest effect of the demographic variables on Retention with .24, demonstrating that the older people grow, the higher the retention becomes. Education reduces the retention slightly as expected at (-.13), whereas men have a higher Retention than women. Finally, one can see that the positive indirect effect of age via social capital adds up to the direct effect, as both have positive signs.

From Figure 3, one can see that the measurement model for Inadequacy has nearly the same standardized factor loadings as the model for Retention in Figure 2. An exception is the much higher loading of trust on social capital in the model form Inadequacy. In addition, trust has a significant directly negative effect on the fifth indicator of Inadequacy and a significant but small positive direct effect on the second indicator of Inadequacy, which are not mediated by social capital. Let us now refer to the structural relationships. Age has a smaller positive effect on the dependent construct, as there is also a direct positive effect of age on the first and second indicator of Inadequacy. This partial mediation via the construct Inadequacy means that the two first items seem to contain specific components not contained in the general construct (Howard/Wainer 1993, Muthen et al. 1991)

Figure 4 contains the results for the explanation of the Security attitude. The coefficients of the measurement model are again very similar to the two former models and demonstrate the sufficient validity of the items. The effect of social capital is again negative and very similar to the coefficients in Figures 2 and 3. The quantitative effects and the signs of the three demographic variables on social capital and Security are nearly identical to those in Figure 2 for the Model to explain Retention. That is, the older the respondents are, the less social capital they have. Moreover,

people who are more highly educated are less security oriented, whereas women and older people are more security oriented. As in Figure 3, trust has also a direct negative effect on one of the indicators of the attitude. In the last model given in Figure 5, the standardized coefficients for the factor loadings are again satisfactory, ranging from .49 to .84. However, the effects of the demographic variables change rather a lot. Gender is the only demographic variable in this model which has a significant effect on power and also on two of its indicators. The effect of social capital on power is negative and nearly as weak as the effect of gender.

Confirming our basic hypothesis, we found that higher levels of social capital were negatively associated with negative (by its sense) monetary attitudes (Inadequacy, Retention, Power, and Security). It was an unexpected result that the majority of relations with monetary attitudes were through civil identity. Nonetheless, it has a good predictive value in half of its models together with the interpersonal trust.

We should draw attention to the specific links between civil identity and Security, which is separate from the other characteristics of social capital. This data shows that individuals who have a weaker civil identity, and usually do not expect governmental support, may focus themselves on finding such security in money (see in Figure 4). Nevertheless, social capital (trust and civil identity) has the most significant effect on the set of monetary attitudes, when combined with the “Inadequacy” scale. The negative relation of social capital to the monetary attitude Retention stands for the fact that social capital may decrease the desire to save money as a source of personal security. Such an effect at a macro-level will be manifested by the lack of desire to invest, striving to save money as a source of Security. This thought is proved by the earlier detection of the positive connection of trust with the rate of investments in GDP (Knack, Keefer, 1997). The result confirms this thought by the presence of a negative connection between social capital and striving towards monetary accumulation.

The link between social capital and the perception of money as a resource for having influence on other people (the scale power/spending) was expected to be negative. It is not surprising that this block of monetary attitudes is connected only with the acceptable social capital. The expectation of less support from one’s social surroundings may be linked with more readiness to use money in order to manage social reality.

There is empirical evidence to show that social capital is connected with the level of collectivism, (Allik, Reallo, 2004), which is common for any hierarchical society. Social capital, which is based on trust and equality, probably promotes the formation of such types of relationships, where intentions to use money as means of building hierarchy and for the manipulation of people and their intrinsic usefulness, will decrease.

Confirming our basic hypothesis, we found that higher levels of individual social capital were associated with adverse monetary attitudes. Attitudes toward money as a means of influence and protection and the desire to accumulate it, reflect a personal sense of dependency on money and lead to a constant concern about money. Greater social capital, by providing social support that serves as an alternative source of security, influence, and protection, may reduce this dependence on money.

Finally, we found that the effects of age, education and gender were quite different depending on the varying facets of economic attitudes used. For Retention, partial mediation only worked for age, whereas education and gender had only direct effects on retention. In the case of the Inadequacy scale, only age had a direct effect. Moreover, age also had direct effects on two of the items to measure Inadequacy, revealing an item bias for these two items, which we took into account by our re-specification of the model. Concerning security, one could see that the effect of age via social capital on security was partially mediated. Gender and Age determined only Security directly, and not via social capital. For the explanation of Power, only gender had a direct negative influence. However, this was nearly canceled out by the positive effect of gender on one item of Power.

Findings

1. Confirming our basic hypothesis, we found that higher levels of social capital have opposite correlations toward negative monetary attitudes (Inadequacy, Power, Retention, Security).

2. Monetary attitudes as a means of influence and of protection and the desire to accumulate it make a person dependent on money and lead to constant concerns about money.

3. As we have interpreted the findings of this research, they suggest that a high social capital, by providing social support that serves as an alternative source of security, influence, and protection, may reduce this dependence on money.

4. An important finding of the research is that the component of social capital that correlated most frequently and strongly with monetary attitudes was civic identity, sometimes together with trust. A crisis of civic identity or people's loss of civic identity may lead them to strive to accumulate money and to attribute more subjective value to it. Money may serve as an alternative source of certainty and security when one loses faith in and commitment to the surrounding society as a source of meaning and security.

5. From our findings we suggest that the negative association between monetary attitudes and individual level social capital suggests that, when social capital (whether societal or individual) decreases, people try to compensate for it by accumulating financial capital. This, in turn, leads to a shift in attitudes toward money and puts a greater emphasis on money as a source of security. On

the other hand, an increase in social capital can lead to a shift in attitudes toward money that deemphasizes their importance for personal security. This interpretation of our findings may help to explain why societies with low social capital have more corruption and greater inequality. Corruption and inequality are social manifestations of the individual monetary attitudes that we have observed.

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Appendices

Appendix A. Measures of Social Capital

1. How typical is it for people in your environment to relate to one another in each of the following ways?

Behavior	Very Unusual	Somewhat Unusual	Hard to say	Somewhat Typical	Very typical
Trusting one another	1	2	3	4	5
Behaving respectfully to one another	1	2	3	4	5
Treating one another as equals.	1	2	3	4	5
Willingly sharing material goods (money, clothing, household possessions, etc.) with those in need.	1	2	3	4	5
Willingly sharing thoughts, ideas, and feelings with people who need them.	1	2	3	4	5

2. Do you feel that you identify closely with your country (Russia)?

No, I have no such feelings at all	Yes, but only a very weak feeling	Sometimes I do, sometimes I don't	I almost always feel that way	I always feel entirely that way
1	2	3	4	5

3. Which [one] of the following describes your feelings about your [Russian] nationality? Please, choose only one of them.

1) Pride 2) Confidence 3) No feelings 4) Offence 5) Shame

4. Generally speaking, do you feel that most people can be trusted, or that you can't be too careful in dealing with people?

You can't be too careful				Most people can be trusted
1	2	3	4	5

Appendix B. Correlation matrix

	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19	20	21	22	23
1. sc1		0.63	0.50	0.13	0.20	0.21	-0.06	0.03	-0.13	-0.07	-0.14	-0.13	-0.03	-0.02	-0.06	-0.02	-0.09	-0.02	-0.12	-0.10	-0.09	-0.05	-0.04
2. sc2	0.63		0.49	0.05	0.17	0.10	-0.04	0.02	-0.08	-0.12	-0.13	-0.08	-0.08	-0.01	-0.04	0.01	-0.02	0.06	-0.07	-0.04	-0.04	0.01	-0.05
3. sc3	0.50	0.49		0.12	0.16	0.23	-0.01	0.00	-0.07	-0.04	-0.04	-0.09	-0.01	-0.03	-0.02	0.00	-0.11	-0.02	-0.13	-0.02	-0.04	0.06	-0.03
4. St.EI	0.13	0.05	0.12		0.42	0.15	-0.08	-0.14	-0.15	-0.03	0.00	-0.04	-0.02	-0.07	-0.08	-0.08	-0.09	-0.08	-0.06	-0.06	-0.11	-0.05	-0.09
5. Val.EI	0.20	0.17	0.16	0.42		0.10	-0.07	-0.12	-0.21	-0.04	0.02	-0.01	-0.09	-0.13	-0.16	-0.07	-0.05	-0.09	-0.07	-0.07	-0.06	-0.09	-0.07
6. trust	0.21	0.10	0.23	0.15	0.10		-0.03	-0.01	-0.01	0.10	0.02	0.01	0.05	0.01	0.03	-0.03	-0.08	-0.15	-0.16	-0.06	-0.06	0.05	-0.02
7. m4	-0.06	-0.04	-0.01	-0.08	-0.07	-0.03		0.34	0.31	0.02	0.03	-0.02	0.06	0.16	0.24	0.22	0.18	0.18	0.07	0.09	0.14	0.19	0.18
8. m6	0.03	0.02	0.00	-0.14	-0.12	-0.01	0.34		0.39	0.07	0.04	0.00	0.03	0.16	0.18	0.23	0.21	0.19	0.08	0.13	0.10	0.24	0.24
9.m7	-0.13	-0.08	-0.07	-0.15	-0.21	-0.01	0.31	0.39		0.15	0.12	0.07	0.03	0.23	0.27	0.25	0.25	0.27	0.17	0.21	0.27	0.29	0.27
10. m13	-0.07	-0.12	-0.04	-0.03	-0.04	0.10	0.02	0.07	0.15		0.32	0.39	0.28	-0.02	0.16	-0.02	0.06	0.00	0.20	0.17	0.10	0.17	0.21
11. m14	-0.14	-0.13	-0.04	0.00	0.02	0.02	0.03	0.04	0.12	0.32		0.50	0.31	-0.10	0.08	-0.07	-0.01	-0.02	0.16	0.12	0.05	0.07	0.25
12. m16	-0.13	-0.08	-0.09	-0.04	-0.01	0.01	-0.02	0.00	0.07	0.39	0.50		0.49	-0.08	0.14	-0.06	0.04	0.03	0.22	0.16	0.02	0.07	0.27
13. m19	-0.03	-0.08	-0.01	-0.02	-0.09	0.05	0.06	0.03	0.03	0.28	0.31	0.49		0.00	0.18	0.01	0.07	-0.04	0.15	0.13	0.01	0.00	0.23
14. m20	-0.02	-0.01	-0.03	-0.07	-0.13	0.01	0.16	0.16	0.23	-0.02	-0.10	-0.08	0.00		0.28	0.25	0.25	0.30	0.06	0.14	0.20	0.18	0.08
15. m21	-0.06	-0.04	-0.02	-0.08	-0.16	0.03	0.24	0.18	0.27	0.16	0.08	0.14	0.18	0.28		0.23	0.29	0.29	0.19	0.22	0.16	0.21	0.27
16. m23	-0.02	0.01	0.00	-0.08	-0.07	-0.03	0.22	0.23	0.25	-0.02	-0.07	-0.06	0.01	0.25	0.23		0.26	0.28	0.10	0.23	0.20	0.25	0.18
17. m28	-0.09	-0.02	-0.11	-0.09	-0.05	-0.08	0.18	0.21	0.25	0.06	-0.01	0.04	0.07	0.25	0.29	0.26		0.26	0.17	0.17	0.20	0.18	0.19
18. m38	-0.02	0.06	-0.02	-0.08	-0.09	-0.15	0.18	0.19	0.27	0.00	-0.02	0.03	-0.04	0.30	0.29	0.28	0.26		0.23	0.22	0.20	0.19	0.33
19. m39	-0.12	-0.07	-0.13	-0.06	-0.07	-0.16	0.07	0.08	0.17	0.20	0.16	0.22	0.15	0.06	0.19	0.10	0.17	0.23		0.24	0.19	0.18	0.29
20. m47	-0.10	-0.04	-0.02	-0.06	-0.07	-0.06	0.09	0.13	0.21	0.17	0.12	0.16	0.13	0.14	0.22	0.23	0.17	0.22	0.24		0.22	0.30	0.26
21. m50	-0.09	-0.04	-0.04	-0.11	-0.06	-0.06	0.14	0.10	0.27	0.10	0.05	0.02	0.01	0.20	0.16	0.20	0.20	0.20	0.19	0.22		0.20	0.24
22. m51	-0.05	0.01	0.06	-0.05	-0.09	0.05	0.19	0.24	0.29	0.17	0.07	0.07	0.00	0.18	0.21	0.25	0.18	0.19	0.18	0.30	0.20		0.26
23. m52	-0.04	-0.05	-0.03	-0.09	-0.07	-0.02	0.18	0.24	0.27	0.21	0.25	0.27	0.23	0.08	0.27	0.18	0.19	0.33	0.29	0.26	0.24	0.26	

Fig. 1. Path diagrams of four models tested

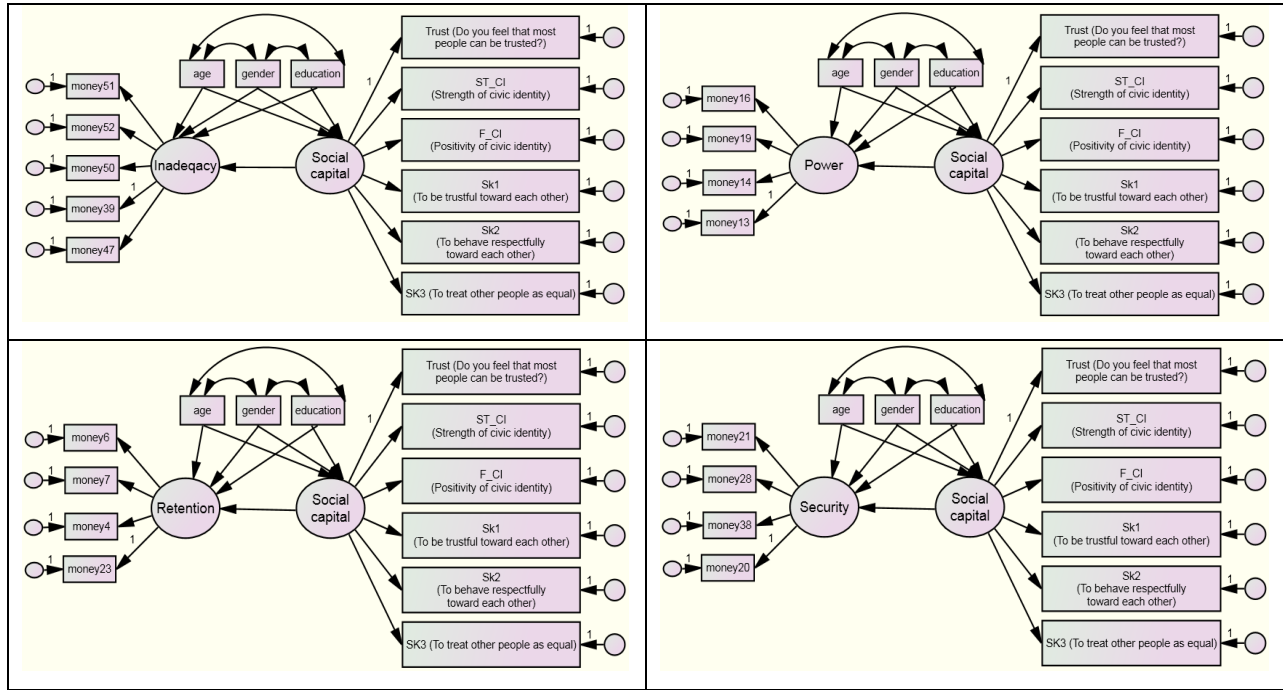


Table 1. Estimates and goodness of fit of the five Furnham scales

Goodness of fit of the models	Questions	Standardized regression weights
«Inadequacy» Chi-square = 7.59; df=5; p=0.18; CFI=0.99; RMSEA=0.03	m51 ⁴ I believe that I have very little control over my financial situation in terms of my power to change it.	0.49
	m52 Compared to most other people that I know, I believe that I think about money much more than they do.	0.55
	m50 Most of my friends have more money than I do.	0.42
	m39 I believe that time not spent in making money is time wasted.	0.47
	m47 I often argue with my partner (spouse. lover. etc) about money.	0.53

⁴ "m" means "monetary attitude" in our codebook and "number of 'm' - is the number of questions in our questionnaire.

«Power» Chi-square = 3.94; df=2; p=0.14; CFI=0.99; RMSEA=0.04	m16 I often use money as a weapon to control or intimidate those who frustrate me.	0.84
	m19 I sometimes feel superior to those who have less money than myself regardless of their ability and achievements.	0.57
	m14 I sometimes “buy” friendship by being very generous with those I want to like me.	0.59
	m13 If I have money left over at the end of the month (week) I often feel uncomfortable until it is all spent.	0.48
«Retention» Chi-square = 1.0; df=2; p=0.61; CFI=1.0; RMSEA=0.000	m6 I often have difficulty in making decisions about money regardless of the amount.	0.64
	m7 I am financially worse off than most of my friends think.	0.61
	m4 I often say “ I can’t afford it” whether I can or not.	0.53
	m23 In making any purchase, for any purpose, my first consideration is cost.	0.40
«Security» Chi-square = 0.68; df=2; p=0.71; CFI=1.0; RMSEA=0.000	m21 I firmly believe that money can solve all of my problems.	0.55
	m28 The amount of money that I have saved is never quite enough.	0.50
	m38 I worry about my finances most of the time.	0.54
	m20 I believe that my present income is far less than I deserve, given the job I do.	0.52

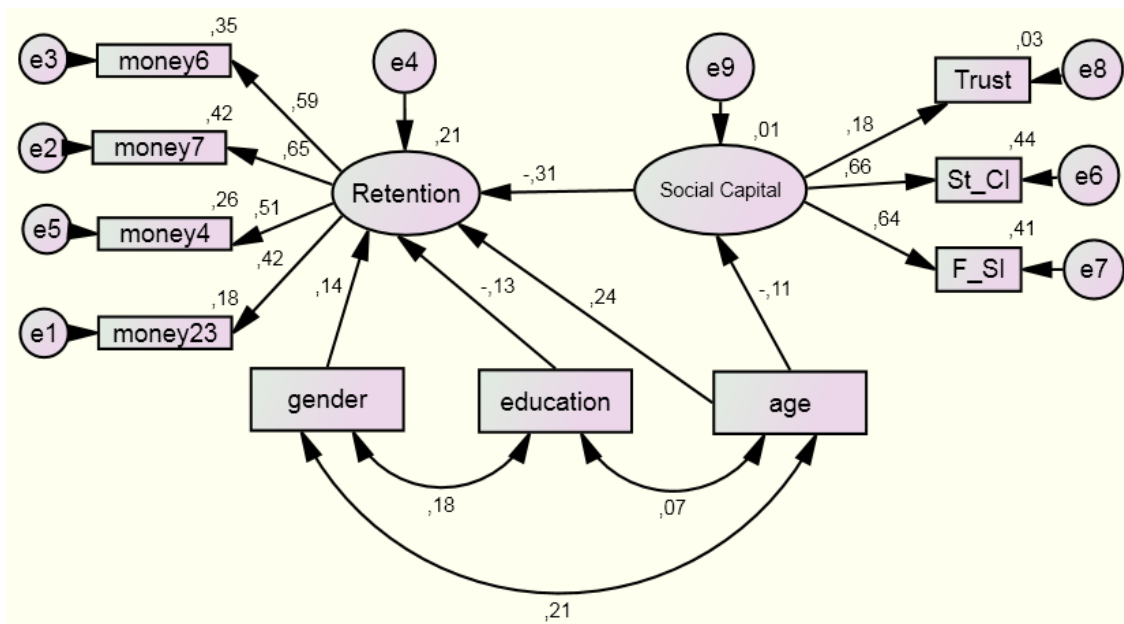
Table 2. Mean values and standard deviations for social capital indicators (5-point scales)

Items	M	SD
Generalized trust	2.66	1.05
Strength of civic identity	3.19	1.11
Valence of civic identity	3.21	1.15
Trusting one another	3.43	0.66
Behaving respectfully toward one another.	3.71	0.83
Treating other people as equals.	3.47	0.86

**Table 3. Mean values and standard deviations for Furnham monetary attitudes scales
(composite scores, 5-point scales)**

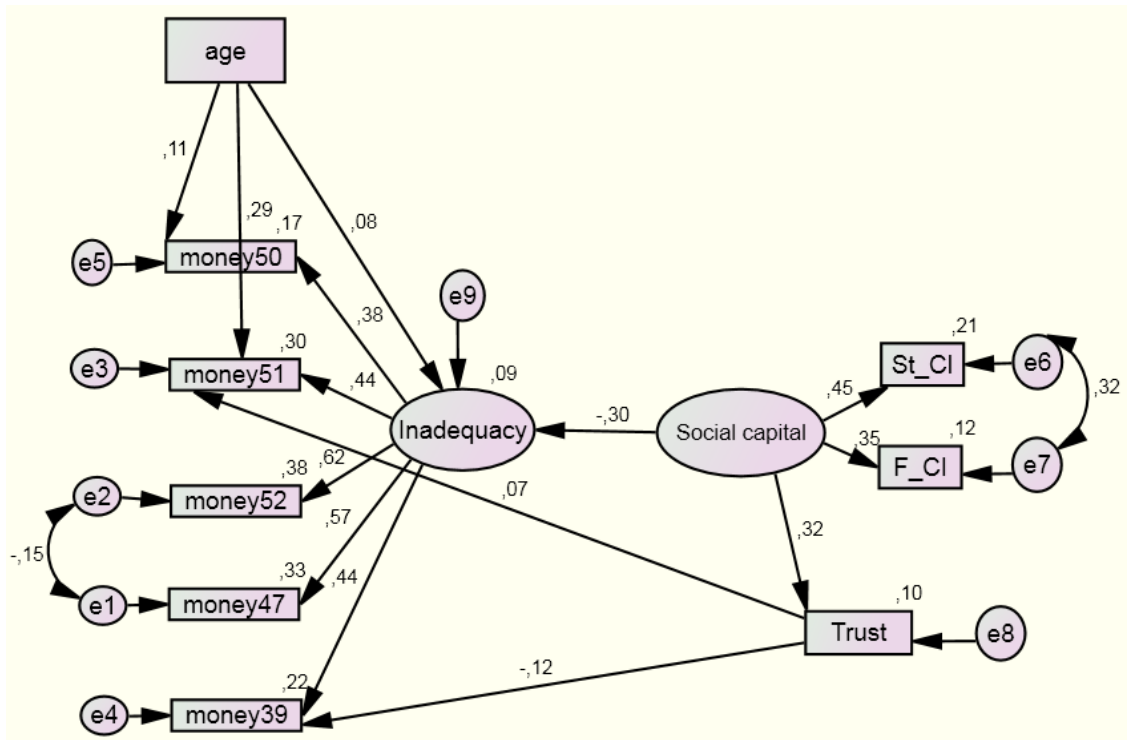
Scales	M	SD
«Inadequacy»	2.14	0.77
«Power»	1.52	0.72
«Retention»	2.74	0.91
«Security»	3.01	0.92

Fig. 2. Model Determinants of «Retention»



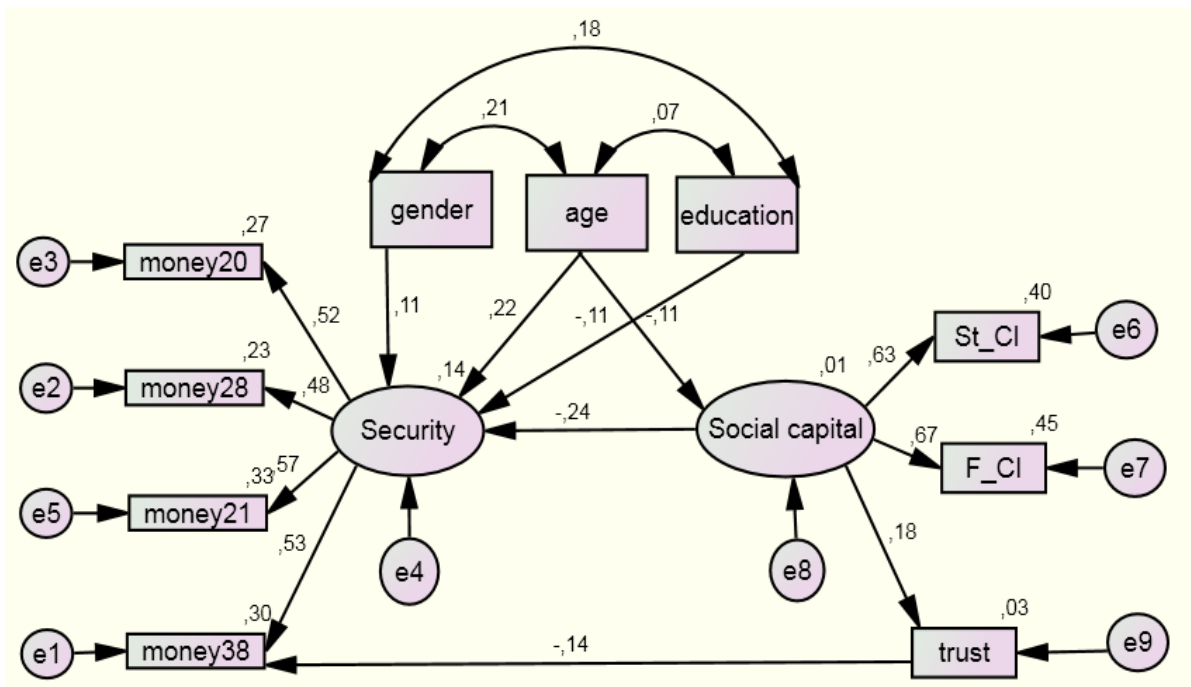
Chi-square = 43.7; df=30; p=0.051; CFI=0.98; RMSEA=0.027

Fig. 3 Model of Determinants of Inadequacy



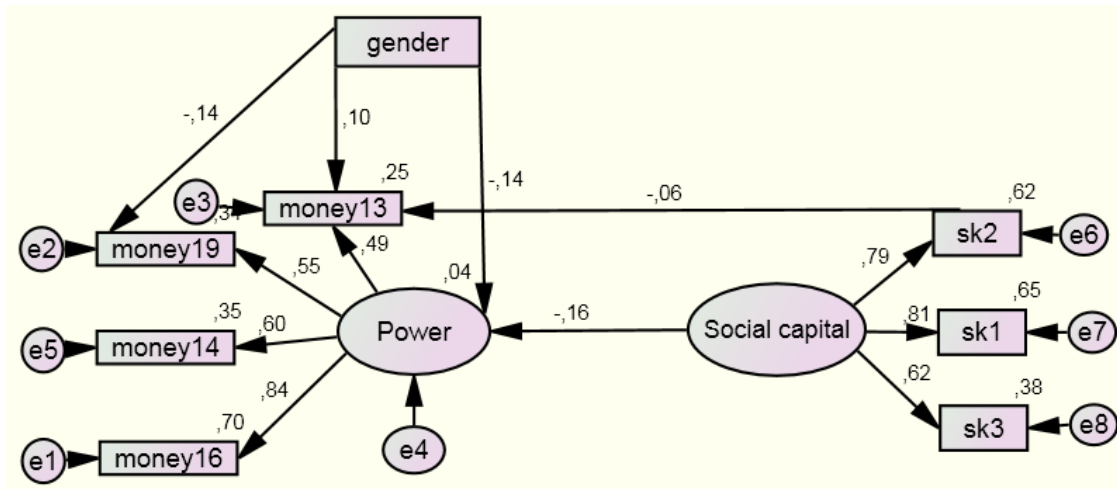
Chi-square = 29.7; df=20; p=0.075; CFI=0.98; RMSEA=0.028

Fig. 4. Model Determinants of «Security»



Chi-square = 35.1; df=29; p=0.21; CFI=0.98; RMSEA=0.018

Fig. 5. Model Determinants of «Power»



Chi-square = 22.7; df=16; p=0.12; CFI=0.99; RMSEA=0.026

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