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Money makes the world go 'round.

Voluntary associations, financial support, and social capital in Belgium.

Abstract

In the current debate on social capital, a key issue relates to the growing popularity of more passive forms of involvement at the expense of active participation in voluntary associations. While some authors claim that this trend leads to a decline in social capital, others call for a reevaluation of the role of passive involvement. This paper aims to contribute to a better understanding of the relationship between passive involvement and social capital. Using data from a representative survey of the Dutch-speaking population in Belgium, we assess the relationship between passive membership, financial support, and social capital. We find that financial support is a distinct form of participation that generates the strongest link with social capital. This indicates that voluntary associations, in addition to their socialization function, also perform an important representation function. This conclusion supports the institutional approach to social capital. (142 words)

Key words: voluntary associations; membership; donations; social capital; civic value orientations

Introduction

In the decline-of-social-capital debate, a key issue relates to the growing popularity of more passive forms of involvement, such as passive membership and donating money, at the expense of active participation in voluntary associations (Jordan & Maloney, 2006; Putnam, 1995, 2000; Wollebæk & Selle, 2002a&b, 2007). As a result, in most Western countries, “passive membership is becoming the rule rather than the exception in organized civil society” (Wollebæk & Selle, 2002a, p.187). This trend coincides with a major organizational transformation from classical ‘secondary associations’ in which participants meet face-to-face, to new mass-membership or ‘tertiary organizations’ that mainly rely on the financial support of their members to realize their goals (Putnam, 1995; Skocpol, 2003; Maloney, 1999) – a trend that Skocpol (2003) coined as a shift ‘from membership to management’:

“By now Americans are no longer such avid joiners, although they may be organizing more civic endeavors than ever before. Professionally run advocacy groups and nonprofit institutions now dominate civil society, as people seek influence and community through a very new mix of *largely memberless* voluntary organizations” (Skocpol 2003, p.127 – emphasis added).

Against the background of the prevailing neo-Tocquevillian celebration of active participation in voluntary associations, this development is commonly framed in problematic terms. In particular the growing popularity of financial support, by which individuals “contract out the participation task to organizations” (Maloney & Jordan, 1997, p.118), is often trivialized as a ‘cheap’ form of engagement that requires little time or effort, and thus compensates for the lack of ‘real’ involvement (Bekkers 2002). Opportunities for participation are no longer ‘grassroots’ but ‘Astroturf’ (Cigler & Loomis, 1995 quoted in Maloney & Jordan, 1999). At a more fundamental level, the (alleged) shift from active to passive involvement is considered a threat for the level of social capital within present-day

Western societies, a claim most influentially voiced by American political scientist Robert Putnam (Putnam, 1995, 2000). According to Putnam, social capital refers to “features of social organization such as networks, norms and social trust that facilitate coordination and cooperation for mutual benefit” (Putnam, 1995, p.67). A core assumption of Putnam’s argument is that a causal relationship exists between the structural (networks) and cultural (norms, trust) component of social capital, and more specifically, that face-to-face participation in voluntary associations has a positive impact on generalized trust and norms of reciprocity. As a consequence, Putnam considers the growing popularity of more passive forms of engagement a major factor in the decline of social capital. However, this assumption has been increasingly contested in recent years. It has been argued that the importance of face-to-face interaction in associations for the development of social trust is overstated (Freitag, 2003; Wollebæk & Selle, 2007; Stolle, 2003), and that “a reevaluation of the role of passive membership in the formation of social capital is in order” (Wollebaek & Selle, 2002a, p. 190).

In this paper, we aim to further the understanding of the phenomenon of passive involvement. We start from the observation that existing research in the social capital tradition has focused almost exclusively on *membership* as the key form of participation (Welzel et al., 2005), and has mainly examined the differential effect of active versus passive memberships (Wollebaek & Selle, 2002a&b, 2003). In this study, we seek to further the current state of knowledge by differentiating among forms of passive involvement. Indeed, while passive membership still could be considered an expression of *organizational affiliation*, the increasing popularity of donating money represents a form of passive, cause-related support *without organizational belonging*. Using data from a representative face-to-face survey of the Dutch-speaking population in Belgium in 2002 (N=1477) and in 2009 (N=1440), we examine the relationship of financial *support* with social capital as compared to

(active and passive) *membership*. In this way, we hope to contribute to the current debate about the alleged decline of social capital, and more specifically, the consequences of changing forms of participation. Inevitably, our findings are context-dependent. The position of donations in relation to other forms of participation may vary as a function of organizational practices and cross-national variations in fiscal regulations and non-profit regimes. Additional research is therefore needed to replicate our findings in other contexts.

The social capital thesis revisited

Since the publication of his academic bestseller ‘Bowling Alone’ (2000), Putnam’s approach to social capital has become *de rigueur* in social science research. In comparison to the classic sociological understanding of social capital as an *individual* resource, political scientist Robert Putnam has provoked a ‘conceptual twist’ by stressing the *collective* nature of the concept, that is, to consider it a characteristic of communities and even entire nations (Portes, 1998). Large stocks of social capital are claimed to be positively associated with healthy democracies, high levels of institutional performance, economic wealth, and social well-being (Knack & Keefer, 1997; Putnam, 1994, 2000).

As previously noted, Putnam postulates a causal relationship between, on the one hand, a structural or network component, and, on the other hand, a cultural or attitudinal dimension of social capital. In other words: participation in networks generates reciprocity and social trust. More specifically, a central role is attributed to participation in voluntary associations, which has both internal (socialization) and external (representation) effects (Almond & Verba 1989 [1963]; Hooghe 2003b; Putnam 1994). While Putnam acknowledges the external role of associations as intermediary democratic structures, he considers the internal socialization effects of overriding importance. Indeed, the core of social capital theory is that face-to-face interaction among members of voluntary associations is the main source of social trust (Freitag, 2003; Wollebaek & Selle, 2007). As a result, Putnam considers the ongoing shift to

tertiary organizations with large numbers of passive supporters as highly problematic: “social capital can be formed and transmitted only through direct interaction, from which passive supporters are deprived” (Wollebaek & Selle, 2002a, p. 188). Thus, in this approach, the growth of tertiary organizations, in which members’ participation is mainly limited to periodical or ad hoc financial support, necessarily heralds a general decline of social capital.

In recent years, however, this basic ‘face-to-face hypothesis’ (Wollebaek & Selle, 2007) has been increasingly contested. In general, four different types of arguments and evidence have been formulated against it. A first argument is that the key role of voluntary associations in the creation of social capital is overstated, for the simple reason that people—even the most active members—do not spend a lot of time in these associations in comparison to other spheres of life, such as the family, school, neighborhood and workplace (Freitag, 2003; Dekker, 2009). Indeed, civic engagement is not a salient reality in the average citizen’s mindset. By and large, empirical research has found the relationship between active associational involvement and social capital to be weak to non-existent (Dekker & Van den Broek 1998; Freitag 2003; Mayer 2003; Stolle 2001, 2003).

Second, it has been argued that passive members do not necessarily suffer from social and political apathy or a more shallow commitment to the cause, and are not deprived from civic agency. In that sense, the notion of ‘*passive* involvement’ is misleading, given that choice and deliberation are always implied, even in the most basic act of donating money to a good cause. Passive supporters still have to choose among organizations with (dis)similar objectives and practices, and evaluate their organizational performance and achievement. In the Norwegian context, Wollebæk & Selle (2002a) concluded that “passive members are neither alienated from, uninterested in, nor inconsequential for the affairs of their organizations” (p.196). Indeed, they found that while active members were more strongly oriented towards social rewards, and tended to emphasize conditions in their immediate

surroundings, passive members were more likely to emphasize opportunities for political influence, and embraced a more politicized view of the association's role in democracy. In addition, passive members did not perceive themselves to be marginalized in relation to internal organizational processes, and were prepared to take active part in specific activities if asked. Research on 'checkbox participants' in environmental and humanitarian organizations in Great Britain (Maloney, 1999; Jordan & Maloney 2007) revealed that the overall majority did not see their membership as a means to become involved, but nevertheless considered the organization as the best means to advocate for the cause. A majority of respondents also considered their financial support indispensable for the organization to reach its goals. Focusing specifically on the 'concerned unmobilized', who expressed a strong concern for the organizational cause yet were not involved in any way, the authors found explanations other than apathy or free riding for the decision not to join, most notably doubts expressed about group efficacy: "they appear to be genuinely less impressed by the groups [...] this is not free-riding [...] but a suspicion that [one] is wasting one's time" (Jordan & Maloney, 2007, p.144). The 'concerned unmobilized' thus embraced a critical view of organizational effectiveness.

These observations are also closely related to the third critique invoked, which focuses on Putnam's assumption that associations cannot have internal socialization effects on passive members because they are physically absent. As argued above, passive supporters can have a strong sense of political competence and efficacy. In comparison with nonmembers, passive members' linkages to the organization provide them with direct representation by the organization, as well as more direct knowledge about what the organization does, by means of newsletters and emails (Wollebæk & Selle, 2007). Moreover, they can feel a 'psychological affinity' to a group, a sense of belonging to an 'imagined community' (Godwin 1988; Wollebæk & Selle 2003). In effect, passive support can be a deliberate choice because one is convinced of, or on the contrary takes a critical stance towards, the organizational efficacy of

this particular form of participation, as compared to active participation (Jordan & Maloney, 2007). Contrary to Putnam's position, it thus has been argued that face-to-face interaction is not a requirement for internal socialization effects to occur.

The fourth counter-argument is that the *scope* of involvement is more important than the *intensity* of participation (Wollebæk & Selle 2002b): the diversity of (passive) affiliations appeared as a much more important predictor than intense participation in one organization. Theoretically, this mechanism can be explained in two ways: a *moderating* and a *cumulative* effect (Wollebæk and Selle, 2002b). First, overlapping networks increase the probability that people from different backgrounds will meet. To the extent that these are horizontal networks that transcend underlying cleavages, they have a moderating effect on the level of conflict in society. Second, multiple affiliations create the possibility of more and broader interaction, which could have a cumulative effect on the level of trust and civic engagement. The importance of multiple passive involvements over a single active involvement further suggests that the assumption of local embeddedness in horizontal networks is at odds with the development of a more generalized sense of trust. Indeed, as some authors have noted (Freitag 2003; Stolle 1998), the development of generalized trust exactly warrants transcending the boundaries of face-to-face interaction in an immediate social circle, because the latter generates private or personalized trust rather than generalized trust (Stolle 1998). Wollebæk and Selle (2002a, 2007) have argued that in the case of overlapping memberships in multiple organizations, members' "sense of identification and trust may be transferred to several contexts and possibly to society as a whole" (2002a, p.190).

To take this argument one step further, Wollebæk & Selle (2007 p.6) also suggest that the localist and horizontal nature of classical associations makes them less visible and less useful as a civic (intermediary) infrastructure; hence forms an impediment to their external function. Thus, the case for passive support calls into question Putnam's claim that the internal

socialization effects of associations are more important than their external democratic role (Wollebæk & Selle, 2002a). The latter has been emphasized by proponents of the institutional approach to social capital (Rothstein 2002, 2004; Rothstein & Stolle 2003; Wollebæk & Selle, 2007). From an institutional perspective, the importance of voluntary associations for the sustenance of social capital is recognized, however, not mainly in their capacity of agents of socialization, but as institutions within which social capital is embedded. Rather than a ‘bottom-up’ process through local and active participation, social trust is generated ‘top down’, as a result of well-functioning public institutions: trustworthy institutions make citizens trust more generally. Institutional confidence thus is a source of social trust – it “spills over to influence generalized trust in others” (Rothstein & Stolle, 2003, p.192) – and voluntary associations, as intermediary structures, also form an embodiment of this institutional trust (Freitag 2003; Wollebæk & Selle 2007; Rothstein & Stolle 2003). This is also in line with the assumption that those who donate money to an organization need a high level of ‘charitable trust’ or confidence in the trustworthiness and efficacy of the organization (Bekkers & Bowman 2009). Based on Norwegian survey data, Wollebæk & Selle (2007) found that those who believed that one can influence decisions in society effectively by working in a voluntary association (i.e., an indicator of ‘institutional trust’) were also more trusting in others. Especially for those with weaker ties to organizational life, “believing that organizations are effective tools for collective action is highly important for levels of social trust” (p.19).

In sum, in this article, we take heed of the debate and the necessity to develop a better understanding of the relationship between passive support and social capital. ^[1] In relation to the existing knowledge, we seek to further differentiate among different forms of passive involvement. To our knowledge, existing empirical research on the relationship between passive involvement and social capital has exclusively focused on membership-based

measures, that is, on passive membership (i.e., paying a membership fee but no active participation in the organization). However, this type of passive involvement is different from financial support, which can be defined as ‘participation *via donations only*’ (Morales and Geurts, 2007, p.156 – emphasis added). Thus, in this study, we analytically distinguish between both forms, and examine whether they correspond to a distinct participant profile, and whether they relate differently with social capital. [2]

Methods

Data

The data used in this study were collected as part of the ‘SCV-Survey’, a survey on social and cultural dynamics in Flanders (Belgium), administered by the Flemish Government. Since 1996, this face-to-face survey has been conducted annually among a representative sample of approximately 1500 Dutch-speaking Belgians between 18-85 years in the Flemish and Brussels regions. This article uses data from the surveys conducted in 2002 and 2009. Combining the 2002 and 2009 data allowed us to examine a broad set of value indicators of social capital (see below). In addition, while the 2002 survey only focused on formal donations, that is, transferring money to the bank account of the organization, the 2009 survey also took into consideration informal donations, such as giving money during a door-to-door collection. Thus, combining both survey years provides us with the most comprehensive understanding of the relationship between passive involvement and social capital.

Measures

Forms of participation – A first question measured the type and intensity of membership affiliations. Respondents were offered a list of different types of organizations, such as youth organizations, sports associations, self-help groups, and so on (21 in 2002; 23 in 2009). For each type of organization, they could indicate whether they:

- had never been in membership (nonmember);

- had been a member but no longer were involved (former member);
- were a passive member (i.e., pay a membership fee and/or read the organization's magazine);
- were an active member (i.e., participate in the activities of the organization);
- were a member of the board (i.e. hold a formal position in the organization).

For each type of association, respondents could indicate one type of membership only. In our analysis, for each membership type, we constructed sum scores by counting the number of times the respondent reports this membership type across the different types of organizations listed. For example, the variable passive membership is the sum score of the number of times the respondent has indicated that s/he is a passive member of one of the types of organizations listed. Based on this measure, we furthermore constructed a dummy variable distinguishing between respondents who reported no memberships at all (sum score equal to 0) versus at least one membership (sum score equal to or greater than 1). This dichotomized variable thus indicates whether the respondent has the particular type of membership in any organization or not. [3]

Using a similar question format, a second question assessed whether respondents, in the 12 months preceding the interview, had donated money to an organization including a list of 8 types of organizations. [4] The 2002 survey question clearly stated that it concerned donations 'by transferring money to the bank account of the organization', that is, *formal* donations. In the 2009 survey, the additional category 'other forms of financial support' was added. Examples of 'other forms of financial support' included: donate money during a collection (on the street, at the door, in a church/mosque, ...), to buy something for a good cause, or to take part in a fundraising event. This second category thus refers to *informal* donations. In the remainder of this paper, we will analytically distinguish between both types of financial support as formal and informal donations. Like the membership variables, for both types of

financial support, we counted the number of times respondents reported donating money across all types of organizations listed, and based on these sum scores, we constructed a dummy variable distinguishing between respondents who reported no (in)formal donations (sum score equal to 0) versus at least one (in)formal donation (sum score equal to or greater than 1).

Although the survey included two separate measures of ‘membership’ and ‘donations’, the analytical distinction between both forms may be questioned. It could be argued that in the minds of members/donors, these categories are interchangeable, or they do not always have (or make) a (conscious) choice, since some organizations are more likely to invite membership, whereas other organizations ask for donations only, and still others encourage both. We posit various counter-arguments to this claim. First, in the Flemish context, there is a clear difference between the meaning of both terms, and organizations have different communication strategies and channels through which they send their invitations for membership (or membership renewals) and requests for financial support. Fundraising strategies are more diversified and frequent, and would address the recipient as a ‘supporter’ or ‘donor’, not as a ‘member’. In addition, there is a system of tax-deductible donations for which organizations provide fiscal attests to their donors (Hustinx & Gijssels, 2009). For these reasons, we believe respondents were able to distinguish between the two categories, which moreover were also clearly defined and separated in the questionnaire. Our empirical analysis also supports the distinction (see below). Other studies furthermore revealed that, even when membership and donating money were included in the same question with an identical list of organizations, these different types of activities could be clearly separated (Geurts & Morales, 2007; Meer et al., 2009). Finally, while Meer et al. (2009) found that the repertoire of activities differed across types of organizations (with donations being a rather uncommon activity among leisure organizations, but the dominant mode of involvement in

activist organizations), we would argue that individuals still have a choice to participate or not, either in the form of membership or financial support, depending on the type of organization. It however should be noted that these claims might be context-specific, depending on particular fiscal regimes and organizational strategies. In their analysis of associational involvement in Europe, Morales and Geurts (2007) for instance noted that the position of donations vis-à-vis other forms of participation (i.e., membership, participation in activities, and voluntary work) varied considerably across countries (for a discussion, see Morales & Geurts, 2007, p.156). Further research is needed to explore these cross-national differences into more depth.

Measures of social capital – Although social capital has become a buzzword in social science research, it remains a fuzzy concept and there is no generally accepted conceptualization in the international literature (van Deth, 2003). In this paper, we adopt the operationalization as proposed by Hooghe (2003a, 2003b), whose approach focused on a variety of civic value orientations that facilitate or hamper cooperation in society. In addition to the single-item measure of ‘generalized trust’, Hooghe included a set of ‘negative indicators’ of social capital, that is, value orientations that document a lack of social capital or a lack of integration in the political or social system (e.g. utilitarian individualism, ethnocentrism,...). In line with this approach, we use the following value indicators of social capital: generalized trust, utilitarian individualism, and political powerlessness (measured in the 2009 survey), and ethnocentrism (measured in the 2002 survey). [5]

Socio-demographics – In the analysis, we account for the following socio-demographic variables: gender (ref=male), age (ref=18-24 years vs. 25-54 years, +55 years), education (ref= high school or lower), living situation (ref=living with a partner), subjective level of income (ref= comfortable, vs. sufficient, insufficient – in the 2002 survey, we use the categorical variable ‘monthly income’: ref= <1000 euro, vs. 1000-1999 euro, >2000 euro),

religion (ref=not religious) and church attendance (ref=never or seldom vs. at least once a month).

Findings

1. The prevalence and nature of financial support, in comparison to membership

As a first step, we examined the prevalence of membership (results not shown, available upon request) and financial support (Table 1) in Flanders. First, with respect to the different forms of membership, our analysis revealed that a large majority of respondents (79% in 2009) reports at least one former membership, about half of the sample at least one passive or active membership (respectively 55% and 45% in 2009), and a small minority at least one board membership (10% in 2009). Of further note is the large number of former members among youth associations (49% in 2009) and sports associations (26% in 2009). This could be explained by the particular youth-related nature of both types of activities, and previous research has pointed to the crucial socialization role of such youthful associational participation (Hooghe, 2003a). When looking at current memberships, it appears that passive members are most prevalent among trade unions and professional organizations, and family associations (respectively 32% and 9% of passive members in 2009). On the other hand, sports associations have the highest share of active members (17% in 2009), followed by art associations (5% in 2009) and hobby clubs (5,1% in 2009). Finally, those who reported a passive, active or board membership, were on average involved in about 1.5 types of associations. In terms of membership history, respondents reported former memberships within about 2.5 types of associations.

****Insert Table 1 about here****

Table 1 shows the distribution of financial support across different types of organizations. In 2002, about half of the sample (54 percent) reported formal donations to at least one organization in the 12 months preceding the interview. In 2009, 43 percent of respondents

reported such activity, and two third of respondents reported informal donations. Overall, the percentage of respondents that reported informal donations is higher for each type of organization when compared with the percentage of formal donations. This accounts specifically for religious organizations (14% and 4% respectively). Nevertheless, for most organizations listed, there is a significant – but rather weak to moderate – association between formal and informal donations (Cramer's V). This suggests that within specific types of organizations, people combine both forms of passive support.

These figures thus indicate that ad hoc and loose types of giving are more prevalent than the more formal, administrative act of transferring money to an organization's bank account. The latter more likely involves a structural type of giving and a higher (tax-deductible) amount of money. In addition, it usually is a more distant response to a printed (letter, newspaper), audiovisual (TV, radio), or electronic (internet) solicitation. These factors could explain the somewhat higher threshold of formal donations in comparison to informal donations, which most likely are a more ad hoc response to a direct request, involving social pressure. From a methodological viewpoint, the drop in the amount of formal donations between 2002 and 2009 furthermore suggests an interesting measurement effect. When respondents are offered two alternative types of financial support, they are more likely to report types of giving with a lower threshold, but also report a higher frequency of giving in general.

When looking at the types of organizations, passive support seems to be mainly concentrated in two areas in Flanders: human services and health (29% formal donations; 52% informal donations in 2009), and developmental solidarity and aid (22% formal donations, 36% informal donations in 2009). This could be explained by the fact that organizations within these two areas appear most prominently in the media and organize large-scale fundraising campaigns every year. On average, formal donors distributed their

support across two types of organizations ($\text{means}_{2002}=1.9$; $\text{means}_{2009}=2.3$). Informal donors distributed their support to an average of 2.5 types of organizations. Thus, in comparison with formal donations, the organizational scope or diversity of informal donations seems somewhat broader. In sum, it appears that passive support is a highly prevalent participatory activity in Flanders.

Our analysis further reveals that passive support is positively associated with former and current associational memberships. Significant positive correlations exist between formal donations and passive membership ($r=.25$, $p<.0001$), former membership ($r=.19$, $p<.0001$), active membership ($r=.19$, $p<.0001$), and board membership ($r=.14$, $p<.0001$). The correlations between informal donations and the membership variables are generally somewhat weaker. The correlation between the two types of financial support is also rather weak ($r=0.10$, $p<.0001$).

2. The profile of the financial supporter

As a next step, we examined whether or not financial supporters have a distinct profile in comparison with other types of (non-)participants by means of a binary logistic regression analysis. The results in Table 2 indicate that partially similar and partially different dynamics are at play. This demonstrates that – at least in Flemish context – it makes sense to analytically distinguish financial support as a distinct form of participation that supplements the conventional membership categories [6], and should not be confused with passive membership – as is the case in existing research in the social capital tradition.

*** *Insert Table 2 about here* ***

Examining the types of effects, the analysis first confirms the ‘dominant status’ model in participation research (Horton Smith, 1994) – and this clearly extends to the phenomenon of financial support. By and large, income and education generate the strongest effects across the different types of participation. A precarious income level is the main determinant of non-

participation (i.e., never been a member or donor): respondents who evaluate their income as insufficient are significantly more likely not to participate at all in comparison with those respondents who report a comfortable income level. In addition, a precarious income level substantially reduces the likelihood of active participation, board membership, and passive support. Income is not related to passive membership, which suggests that paying a membership fee is not a threshold for participation. [7] The level of education reinforces the dominant status effect: lower educated respondents are more likely to have never been a member or supporter, and higher educated respondents have a higher probability of (passive, active, and board) membership, as well as the two types of passive support.

Second, the findings show that there is a gender bias in participation, but that a different dynamic is at play for membership and informal donations. While women have a lower probability of any formal membership – in particular what concerns the participation in a board – they are more likely to report informal donations. This is in line with previous research that revealed that women participate in more informal networks and activities (Inglehart & Norris, 2003).

Third, significant age effects occur. While age does not differentiate between non-participants and participants, age differences exist across the types of participation. In comparison to the youngest age group (<25 years), the middle-aged group (25-49 years) has a higher probability of passive membership. The youngest age group, on the other hand, has a significantly higher likelihood of active membership than the older age categories.

Respondents who are 50 years and older, finally, are more likely to report formal donations than those aged younger than 25 years.

Finally, marital status and religion have an influence. Being married predicts both active membership and formal financial support. This suggests that married people have broader and overlapping networks as they share multiple social relationships (Musick & Wilson, 2008),

and that formal donations more often are a decision taken at the household level. The influence of religion is significant but limited. Religious affiliation has no effect, church practice does to some extent: attending religious services on a regular basis (i.e., monthly to daily) increases the likelihood of board membership and of formal donations.

3. Membership, financial support, and social capital

In the final part of the analysis, we investigate the relationship between repertoires of participation and the attitudinal dimensions of social capital by means of a multivariate regression analysis (Table 3). Model 1 includes socio-demographic and membership variables (i.e., the classic social capital model). In Model 2, the financial support variables are added.

****Insert Table 3 about here****

The Model 1 regressions in Table 3 show that the various types of membership have rather weak correlations with the value indicators of social capital. The number of former memberships is negatively associated with utilitarian individualism, political powerlessness, and ethnocentrism. Passive memberships are negatively correlated with utilitarian individualism and political powerlessness. Active memberships is linked to a higher level of generalized trust, and to lower levels of utilitarian individualism, political powerlessness, and ethnocentrism. Board memberships are positively related to generalized trust, and negatively related to political powerlessness. But again, these correlations are significant but weak.

Model 2 introduces the financial support variables (formal donations in 2002, formal and informal donations in 2009). Strikingly, most of the coefficients of membership become statistically insignificant. The negative correlations between former memberships and utilitarian individualism and political powerlessness, and between active membership and utilitarian individualism and ethnocentrism persist, yet are weaker than in Model 1. With regard to the financial support variables, it can be observed that formal donations have a relatively strong and positive relationship with generalized trust, and an even stronger

negative relationship with utilitarian individualism, political powerlessness, and ethnocentrism. Informal donations are correlated negatively with utilitarian individualism.

A brief examination of the background variables reveals that level of education and age are the most important predictors of social capital related value orientations. Age has a negative effect on social capital: as age increases, feelings of ethnocentrism, utilitarian individualism, and political powerlessness become stronger. Education has the opposite effect: among the higher educated, support for these ‘negative indicators’ of social capital is weaker than among the lower educated. Other relevant background indicators are gender, marital status, income, and religion. Women and married people express weaker support for utilitarian individualism. As for income, living comfortably with one’s income increases generalized trust and reduces utilitarian individualism and political powerlessness. Regular church attendance is positively correlated with generalized trust, and is negatively associated with utilitarian individualism, political powerlessness, and ethnocentrism. Having a religious affiliation is linked to a higher level of utilitarian individualism.

In sum, with regard to the participation variables in the regressions, we can conclude that – controlling for the other variables – the coefficients of formal donations are the strongest. In fact, financial support is the only participation variable that has a significant relationship with the value indicators of social capital. This finding is consistent with earlier studies that concluded that active face-to-face participation in associations is not a necessary condition for the formation of social capital (Freitag, 2003; Wollebaek and Selle, 2002a&b, 2003).

Discussion and conclusion

This article aimed to contribute to the debate on social capital, and more specifically to the understanding of the relationship between passive support and social capital. We have sought to further differentiate among different forms of passive involvement: passive membership versus financial support. We explored the distinctive nature of both types of

passive involvement, by examining whether both forms have a distinct participant profile and a differential relationship with social capital. Financial support was divided into formal and informal donations to an organization. Our findings not only suggest that financial support is a distinct form of participation in comparison to associational membership, but also indicate that within the category of passive support, different dynamics underlie formal and informal donations.

A first important observation is that the dominant status model, which applies to participation in voluntary associations, extends to the phenomenon of passive support. Education and income are key determinants of both membership and passive support. The gender bias in formal membership (i.e., men participate more than women), however, is not reproduced and even partially reversed: women are more likely to provide informal support, which aligns with feminist and political science literature that emphasizes the informal nature of women's public involvement. With formal financial support, a rather traditional profile emerges: formal donors are more likely to be older, married, and attend religious services on a regular basis. These findings thus show that the two types of passive support correspond to a distinct profile, hence should be distinguished from (passive) membership as separate analytical categories.

The differential relationship of membership and passive support with value indicators of social capital further substantiates this claim. In our analysis, we have compared the conventional 'membership model' – as dominant in social capital research – with an extended model that included both membership and financial support. Accounting for membership only, our findings confirmed that, overall, there is a positive relationship with social capital. However, the extended model revealed that when accounting for financial support, the coefficients of membership weaken, and that some types of membership even become

insignificant. Stated differently, financial support is more strongly associated with social capital than is membership.

What are the implications of our findings for research on social capital? First of all, as mentioned above, we made two important additions in our measurement model not typically included in the dominant stream of social capital research. First, we focused not only on generalized trust, but on an extended set of value indicators of social capital (cf. Hooghe, 2003a). Additionally, in order to more fully examine the growing phenomenon of ‘passive involvement’, we did not limit ourselves to the conventional measure of (active vs. passive) membership in voluntary associations, but added the category of financial support, that is, participation via donations only. Based on this revised measurement model, two important conclusions on the relationship between participation and social capital emerged.

A first conclusion is that, based on an extended set of value indicators, membership in voluntary associations is positively correlated with social capital. Although the evidence is not univocal across all value indicators, the results do provide indication of the continued importance of voluntary association as agents of socialization, that is, as ‘schools of democracy’. While no significant association exists between membership and generalized trust (accounting for financial support), active membership is negatively correlated with utilitarian individualism and ethnocentrism, and former membership is linked to a reduced level of utilitarian individualism. On the other hand, we found no significant coefficients for passive membership. It follows that the face-to-face hypothesis cannot be refuted – at least not in the Flemish context and based on an extended set of value indicators of social capital.

A second major finding is that ‘passive involvement’ is not a uniform entity, and that different dynamics underlie different types of passive involvement. As discussed in our literature review, existing research has focused on the relative influence of active versus passive membership on social capital. Earlier studies argued in favor of passive membership

(Wollebaek and Selle, 2002a&b, 2003). Our study shows that a crucial distinction should be made between passive *membership* and passive *support* – in particular in the form of formal financial support – which turned out to have the strongest correlation with social capital across all participation measures. The importance of financial support indicates that, besides their socialization function, voluntary associations also perform an important external or representation function. This is consistent with the institutional approach to social capital (Rothstein 2002, 2004; Rothstein & Stolle 2003a, 2003b; Wollebæk & Selle, 2007), which recognizes the importance of voluntary associations for the sustenance of social capital, however, not mainly in their capacity of agents of socialization, but as institutions within which social capital is embedded. Thus, rather than the assumption of local embeddedness, generalized trust is generated through well-functioning, trustworthy institutions. Passive supporters who donate money to an organization need a high level of ‘charitable trust’ or confidence in the trustworthiness and efficacy of the organization (Bekkers & Bowman 2009). As Jordan and Maloney (2007) observed, passive supporters believe that financial support is indispensable for an organization to reach its goals, while active participation is viewed as inefficient and a waste of time. These insights mesh with our findings.

To conclude, in our study, we have sought to disentangle the nature of different forms of passive involvement, and their differential relationship with social capital. Our findings show that in addition to conventional, membership-based participation measures, the phenomenon of financial support warrants further examination as a distinct and significant mode of participation. Furthermore, our results provide support for both the socialization and institutional approaches to social capital; hence point to the importance of both active and passive participation. Compared to classic face-to-face participation in voluntary associations, our findings suggest that the growing popularity of monetary forms of support does not result

in a substantial decline in stocks of social capital – on the contrary, financial support is more strongly related to social capital than is membership.

On a final note, an important caveat of our findings and conclusions should be raised. Our findings may be specific to the context of the Dutch-speaking population of Belgium; they do not necessarily apply across countries or regions. As we have indicated, among the Dutch-speaking population of Belgium, it makes sense to distinguish analytically and empirically between membership and financial support, not only in linguistic terms, but also with regard to organizational practices and fiscal regulations. While other researchers (Morales & Geurts, 2007, Meer et al., 2009), based on European survey data, were also able to differentiate between both entities, the position of donations vis-à-vis other forms of participation varied considerably across types of organizations and countries. Additional research is therefore needed to replicate our findings in other contexts, and to further explore these organizational and cross-national differences.

Endnotes

- [1] As should be clear from our theoretical discussion, the socialization and institutional approaches to social capital both assume a causal relationship between active participation or institutional trust on the one hand, and generalized social trust on the other hand. But this causal relationship could be questioned, since it may be a matter of self-selection of people with strong civic values into participating in or supporting associations, which in turn contributes to the further strengthening of these values. However, based on cross-sectional data, it is impossible to disentangle such self-selection mechanisms from socialization and representation mechanisms – this would require longitudinal panel data, or quasi-experimental studies. Hooghe (2003b) proposes assuming a mutually reinforcing relationship, which means that associations function as ‘schools of democracy’ (socialization) and at the same time offer an instrument for democratically/civically oriented people to express and further strengthen their value commitment (self-selection). Because of this double mechanism, and because we rely on cross-sectional data, we interpret our results as correlations and not as causal effects.
- [2] We recognize that we do not include all possible types of passive support, such as signing petitions or sending emails and allowing one’s name to appear on a list of the organization/cause supporter. The aim of the paper, however, is to compare passive membership and financial support as two prominent types of passive involvement.
- [3] While this extended measurement of associational membership is well-established in cross-national survey research on the matter, an important methodological limitation should be raised, namely that the question format does not allow us to differentiate *within* the types of organizations. This implies that the sum scores for each type of participation, rather than measuring the *intensity* of involvement, assess the *variety* of organizations of which the respondents are a member (Morales & Geurts, 2007; van der Meer et al., 2009).

Suppose there are two respondents. Respondent A is an active member of 3 sport clubs.

Respondent B is an active member of one sport club and one hobby club. Although respondent A has more active memberships, respondent B would be assigned a higher score (=2) than respondent A (=1) on the sum score variable active membership.

However, we agree with Hooghe that it is not possible to overcome this problem “without resulting in a very extended questionnaire on membership, which is too cumbersome to be used in actual research” (Hooghe, 2003a, p.55, see also Morales and Geurts, 2007). In addition, based on an analysis of an open-ended question where respondents had to name of the three most important organizations, Hooghe (2003a) found a vast majority of active members report only one or two names, and even among those giving three names there was not a single respondent mentioning three organizations in the same category. Hooghe (2003a) therefore concluded that individuals rarely concentrate all of their memberships in one type of organization, and that, as a result, the question format offers a valid measurement of the intensity or type of participation.

[4] These 8 types of organizations could be considered as typical ‘tertiary’ organizations, which explains why this list was considerably shorter than the list of (secondary and tertiary) types of organizations in the membership question.

[5] A detailed description of the attitudinal measures is available from the authors upon request.

[6] Although we found a significant correlation of 0,25 between passive membership and formal donations, we posit that this does not mean that both activities overlap. First of all, the correlation still remains quite low. Also, when we analyze the coherence between the dummies of these variables, we find the Cramer’s V to be 0,1 only. Furthermore, we checked for multicollinearity and found no problems.

[7] It should be noted that those with low incomes are also much less likely to be asked to participate, which in all probability will be part of the explanation for their lower participation rates. In their recruitment strategies, nonprofit organizations tend to target people with high “participation potential” (Musick & Wilson, 2008, p.290), which relates back to the dominant status model.

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Tables

Table 1: Distribution of types of financial support

Type of organization	2002	2009		
	Formal donations	Formal donations	Informal donations	Cramer's V
Health and aid organizations	40.0	28.8	51.7	0.06*
Solidarity with the Third World	32.9	21.6	36.0	n.s.
Environment and nature	9.0	8.5	10.5	0.16***
Human rights	6.5	4.8	9.7	0.20***
Political organization	2.7	2.0	1.9	0.23***
Moral issues (abortion, euthanasia)	1.6	0.6	0.4	n.s.
Religious organizations	-	4.4	14.2	0.22***
Other (*)	12.4	5.8	8.2	0.16***
Average number of types of organizations per type of financial support (mean of sum scores)	1.89	2.26	2.51	
% of respondents that report at least one donation per type of financial support (sum score ≥ 1)	54.07	43.36	67.11	

SCV-survey. $N_{2002} = 1477$; $N_{2009} = 1440$

Note: * $p < 0.05$; ** $p < 0.01$; *** $p < 0.001$

(*) Due to the diversity of types of organisations in the category 'other', this category will not be discussed in the results section.

Table 2. Socio-demographic profile of members and financial supporters.

	Membership				Financial support	
	Never member or supporter	Passive membership	Active membership	Member of board	Formal donations	Informal donations
Gender (ref= male)	1.39	0.77*	0.76*	0.38***	0.85	1.36**
Age (ref= < 25y)						
25- 49y	0.60	1.64*	0.57**	1.37	1.45	1.34
+50y	0.73	1.07	0.48***	1.00	2.55***	1.46
Education (ref= lower)	0.42**	1.30*	2.17***	1.74**	3.02***	1.46**
Subjective level of income (ref = comfortable)						
Insufficient	3.86***	0.94	0.47***	0.37**	0.40***	0.47***
Sufficient	1.04	1.20	0.80	0.69	0.69**	0.91
Marital status (ref= other than married)	0.64	1.39	1.61**	1.61	1.66**	1.14
Living situation (ref= not living together with partner)	1.00	0.72	0.74	0.87	0.92	1.44
Religion (ref= not religious)	1.32	0.92	1.02	0.98	0.78	0.87
Attendance of religious services (ref = never or irregular)	1.36	0.85	1.28	2.05**	1.88***	0.86
Nagelkerke R²	0.12***	0.04***	0.09***	0.10***	0.16***	0.07***

SCV-survey 2009. N= 1440; *p<0,05; **p<0,01; ***p<0,001

Note: Logistic regressions. Odds-ratio's are shown. Dependent variables are dichotomized (yes/no).

Table 3. OLS-Regressions of associational membership and financial support on value indicators social capital

	Generalized trust (2009)		Utilitarian individualism (2009)		Political powerlessness (2009)		Ethnocentrism (2002)	
	Model 1	Model 2	Model 1	Model 2	Model 1	Model 2	Model 1	Model 2
Socio-demographic characteristics								
Gender (ref= male)	0.01	0.00	-0.10***	-0.09***	-0.01	-0.01	0.03	0.04
Age (ref= <25y)								
25-49y	-0.07	-0.08	0.01	0.03	0.10*	0.12*	-0.03	-0.02
+50y	-0.09	-0.11*	0.11*	0.15**	0.24***	0.27***	0.18*	0.20**
Education (ref=lower)	0.13***	0.12***	-0.23***	-0.20***	-0.23***	-0.20***	-0.23***	-0.21***
Higher education								
Marital status (ref= other than married)	0.03	0.03	-0.09*	-0.08*	-0.02	-0.00	0.07	0.08
Living situation (ref= not living with partner)	-0.05	-0.05	0.07	0.08*	0.04	0.04	-0.06	-0.06
Subjective level of income (ref = Comfortable)								
Insufficient	-0.13***	-0.11***	0.10**	0.07*	0.11***	0.09**		
Sufficient	-0.09**	-0.08**	0.03	0.01	0.10***	0.08**		
Income (ref = <1000 euro)								
1000-1999 euro							0.06	0.06
>2000 euro							-0.06	-0.04
Religion (ref= not religious)	-0.02	-0.02	0.07**	0.07**	0.05	0.04	0.05	0.05
Attendance of religious services (ref = never or irregular)	0.07*	0.06*	-0.07**	-0.05	-0.10***	-0.08**	-0.12***	-0.10**
Membership variables								
Former memberships	0.02	0.01	-0.11***	-0.08**	-0.07**	-0.05*	-0.07*	-0.05
Passive memberships	0.04	0.02	-0.05*	-0.02	-0.06*	-0.03	-0.05	-0.02
Active memberships	0.06*	0.05	-0.11***	-0.08**	-0.06*	-0.04	-0.09**	-0.07*
Board memberships	0.06*	0.05	-0.03	-0.01	-0.06*	-0.04	-0.02	-0.01
Financial support variables								
Formal donations		0.08**		-0.14***		-0.13***		-0.15***

Informal donations		0.03		-0.10***		-0.04		-
Adj. R²	0.05***	0.06***	0.16***	0.18***	0.16***	0.17***	0.15***	0.17***
N	1425	1425	1420	1420	1398	1398	869	869

Source: own compilation based on SCV-survey 2009/2002. *p<0,05; **p<0,01; ***p<0,001

Note: OLS Regressions. Standardized beta-coefficients are shown. Membership and passive support variables are the sum scores of the number of times respondents reported this membership/donation type across the different types of organizations listed.