**Sydorenko Nataliia Serhiivna,** Doctor of Juridical Sciences, Professor, Professor of the Department of Administrative and Legal Disciplines and Public Administration, Dnipro State University of Internal Affairs, Dnipro, Ukraine, https// orcid.org/ 0000-0003-4622-2779

**Kunyo Ruslan,** Postgraduate Student, Department of Administrative and Legal Disciplines and Public Administration, Dnipro State University of Internal Affairs, Dnipro, Ukraine, https// orcid.org/ 0009-0001-5767-6824

## SOCIAL CAPITAL AS THE BASIS FOR PRESERVING DEMOCRACY

*Abstract*

The study is devoted to the comprehensive theoretical substantiation and analysis of the role of social capital as a critically important resource for preserving the resilience of democratic institutions in the face of contemporary global challenges, particularly in the context of transitional and crisis societies such as Ukraine. The author emphasizes that amid the «crisis of trust,» the spread of disinformation, and the strengthening of authoritarian trends, the concept of social capital, first systematically conceptualized by R. Putnam, F. Fukuyama, and J. Coleman, gains paramount importance as a «primary foundation» and «effective instrument» of democracy. Social capital is defined as a set of intangible assets, including norms, networks, trust, and reciprocity, which facilitate coordination and cooperation. The paper analyzes the imbalance between the types of social capital in Ukraine under conditions of full-scale military aggression. On the one hand, there is an explosive increase in horizontal capital: «bonding» capital, manifested as extraordinary solidarity and self-organization of the volunteer movement, and «bridging» capital, which creates links between heterogeneous groups and fosters

social consensus. This horizontal social capital has become the fundamental basis of national resilience. On the other hand, a critically low level of «linking» (vertical) social capital remains – citizens' trust in public administration institutions (judicial system, Parliament), which poses risks to the long-term preservation of democracy. The author raises the fundamental dilemma regarding the neutrality of social capital: it can be both a «cradle» for democracy and a resource for autocracy (through the formation of corrupt networks, nepotism, or social exclusion). Given this, the key task for public administration is to develop mechanisms for transforming the mobilized horizontal resource (solidarity) into stable institutional trust (vertical capital). The failure of institutions to institutionalize this solidarity through transparency and participatory governance may lead to its alienation from the state and its potential use against democratic institutions.

*Key words:* Social capital, democracy, public administration, institutional trust, bonding capital, bridging capital, linking capital, volunteering, resilience.

*Problem statement.* Globalization, rapid technological change, the spread of disinformation, economic inequality, and the rise of populist and authoritarian tendencies all form a "crisis of trust" in traditional political systems and elites. In the context of this crisis, democracy, as a form of government based on citizen participation and institutional transparency, requires new conceptual foundations for its preservation and strengthening.

With this in mind, the concept of social capital, first systematically understood at the end of the XX century by Robert Putnam, Francis Fukuyama and James Coleman, acquires paramount importance. Social capital, defined as the set of norms, networks, trust and interaction that promote coordination and cooperation in society, is seen as a critical resource that ensures the "lubrication" of the functioning of the democratic mechanism.

The main problem around which this study is focused is the lack of theoretical and practical understanding of the role of social capital as a key factor of resilience and viability of democratic institutions, especially in the context of transformational and crisis societies, such as modern Ukraine.

In Ukraine, after the Revolution of Dignity and in the conditions of full-scale military aggression, democratic processes are experiencing an extraordinary test. On the one hand, there is an explosive growth of "binding" and "bridged" social capital at the level of horizontal connections: the volunteer movement, networks of public organizations, mutual assistance of citizens. This horizontal social capital has become the fundamental basis of national resilience and the ability to self-organize in the face of external threats, proving its direct correlation with the defense of sovereignty and democratic values.

On the other hand, there is a critically low level of "vertical" social capital – citizens' trust in the institutions of public administration and administration (the President, the Parliament, judicial and law enforcement systems, local self-government). Despite the temporary increase in trust in certain central authorities under martial law, the systemic problem of institutional mistrust caused by corruption, inefficiency, opacity, and the legacy of paternalism remains acute. This imbalance between strong horizontal and weak vertical capital creates risks for the long-term preservation of democracy after the end of the active phase of the war, as distrust of institutions can be used for manipulation, undermining the legitimacy of decisions and leading to a rollback of democratic reforms.

*Analysis* of recent research and publications. Modern research continues to develop classical approaches (Putnam, Fukuyama), but shifts the emphasis from a simple measurement of trust to the dynamics and functionality of social capital in a crisis. Current foreign contemporary works, in particular by G. Lichter and E. Zygmunt, are actively exploring how horizontal networks of mutual assistance (bonding), which have critically increased during the pandemic and military con-

flicts, can be transformed into bridge capital (bridging) – links between different social groups and power. Attention is focused on the fact that excessive dominance of bonding capital (for example, solidarity within one closed group) can lead to social exclusion and the fueling of populism, which, on the contrary, undermines democracy.

Key studies (L. Salaman, R. Evans) are focused on measuring citizens' trust in the institutions of power as the main indicator of vertical solid capital, or linking capital. It has been proven that a low level of vertical trust directly correlates with a high level of corruption, ineffective implementation of state programs and sabotage of reforms. For public administration, this means the need not only for institutional changes, but also for purposeful restoration of trust through transparency, accountability and participatory governance. The latest publications in the field of public administration (O. Bovaird, J. Loeffler) emphasize that social capital is a prerequisite for the successful implementation of Public Value Co-creation. The involvement of civic networks (social capital) in the process of policy development and implementation increases the legitimacy of decisions and the quality of public services, ensuring the implementation of participatory democracy.

A number of domestic studies (O. Reznik, S. Demyanenko) focus on the phenomenon of volunteering as a unique form of manifestation of social (horizontal) or "bonding" and "bridging" capital in wartime. These works detail the networks, trust, and interaction that ensured the functioning of the rear and support for the Armed Forces of Ukraine, proving that social capital is a critical element of national security. A significant part of the publications (M. Popov, V. Kovalchuk) state a chronically low level of trust in the central authorities and courts, even despite the temporary increase in trust in the President and the Armed Forces of Ukraine during the war. The risk of "overheating" of horizontal solidarity is indicated, which can turn away from the state if public administration institutions cannot effectively use this resource for post-war development.

*The purpose of* the study is a comprehensive theoretical substantiation and development of scientific and practical recommendations for the use of varieties of social capital as a fundamental resource for maintaining the stability of democratic institutions.

*Presentation of the main material.* The concept of social capital is a cornerstone in the development of society, playing a crucial role in its progressive transformation. Modern scientific thought considers social capital as an important pillar of empowerment, used even in poverty reduction strategies. This variable encompasses three levels of analysis – micro, meso, and macro – and relates both structural and cognitive forms of social interactions. Social capital acts as a powerful factor that stimulates the efficiency of the modern economy and, as a result, paves the way for a stable liberal democracy.

At its core, social capital is a set of intangible assets that includes norms, networks, reciprocity and trust that facilitate coordination and collaboration. Even though social capital is an invisible intangible asset, unlike economic or physical forms of capital, its influence on social processes is highly visible. It is an informal contract that provides significant power to maintain democracy and economic stability. Among the key traditional virtues that form its concept are: honesty, compliance with obligations, reciprocity, trust and cooperation. Social capital has the ability to strengthen relationships and cooperation between different levels of society. It is formed on the basis of common values that are embedded in civic culture. These values are only effective when they are integrated into social networks and relationships. The most common forms that influence civic virtues are: commitments and expectations, information channels, as well as social norms.

A crucial element that ensures the functionality of social capital is trust – it helps individuals and groups navigate the complexities and uncertainties of post-industrial societies. This trust often functions as an informal norm that promotes cooperation and reciprocity. However, there is a risk that close solidarity networks

(bonding capital) may narrow, leading to social exclusion and treating external groups as suspicious or hostile. Expanding the "radar of faith" (i.e., extending trust to heterogeneous groups and institutions) is necessary to overcome these negative consequences.

In the economic sphere, social capital demonstrates its effectiveness in two key dimensions that are especially important for public administration: cost reduction and acceleration of action. The presence of trust and informal cooperation mechanisms reduces the need for costly monitoring and control. In addition, social capital reduces bureaucratic time for decision-making and document processing that might otherwise be affected due to hierarchical procedures. Central bank reports confirm that increased trust in the community is positively correlated with higher economic growth.

At the same time, weak social capital can cause dysfunctionality of economic development. The historical examples of France (rigid central administration) and Italy (corruption, poor policy effectiveness) highlight that the lack of active social networks and trust leads to ineffective governance. Empirical evidence shows that societies with weak social capital often have low wages and low levels of skills.

In the context of the interaction of different types of capital, Robert Putnam [1] pointed out that horizontal links (between equal subjects) are often more beneficial and are more often used to solve problems than vertical lines (links with institutions of power). However, it is vertical and horizontal reliable behavior that turns into a convergence mechanism that increases the effectiveness of both formal and informal institutions.

Despite the advantages, the sources provided [2] also warn against the abuse of social capital. In the Balkan countries, for example, the legacy of communist-era personal ties has been carried over into the post-communist phase. These informal ties were strengthened between parties and criminal circles, promoting corruption and allowing certain groups to benefit from privatization, which created

"crime leagues" in close networks of trust. This suggests that positive influence only dominates when actions are supported by trust in institutions and democratic legitimacy.

For democracy to function, social capital is vital – it is compared to oxygen necessary for life. Its role in democracy is mutual: social capital influences democracy, and democracy, in turn, affects social capital. Social capital as a resource contributes to mobilizing citizens to be active and demand accountability from elected representatives.

In the political sphere, social capital is divided into:

1. Structural capital: Includes formal aspects such as social organizations, roles, powers and procedures that promote better cooperation, based on the belief that joint action will bring collective benefits.
2. Cognitive capital: It is an invisible form that encompasses mental processes and is expressed through norms of reciprocity, solidarity and loyalty, shaping the mentality of people through culture and ideology.

These two categories have an interactive impact, where cognitive capital serves as a source for processes in the structural category [4].

In post-communist countries, social capital is considered a determinant for the consolidation of democracy; Its deficiency threatens the transformation of the system, since it undermines trust in norms, behaviors and attitudes. Ultimately, societies with widespread social capital are more stable and capable of compromise and easier solution to social problems, cultivating a spirit of tolerance and promoting the development of democracy in deeper dimensions.

The modern scientific discussion on the role of social capital in the formation of the social order has gone far beyond the classical, mostly optimistic, approaches, which interpreted it as an unconditionally positive asset. Although early conceptualization emphasized its ability to promote democratic processes and economic development, recent critical analysis, in particular in the context of

transformational and crisis societies, puts forward the thesis of the neutrality of social capital.

In this vein, a fundamental dilemma arises that is critical for public administration: is social capital a cradle for democracy or, on the contrary, can it become a resource for autocracy? This normative question highlights that the social capital that is produced in civil society organizations is not always desirable or democratic in nature. Its ultimate impact depends on the broader social context, the norms it cherishes and the goals it targets. For the implementation of quality public administration, it is critical to understand how different types of social capital can function.

Bonding Capital: This type of capital forms strong, intragroup ties among homogeneous communities (family, close circle of friends, ethnic group). In the conditions of Ukraine, this capital manifested itself as an extraordinary solidarity of the volunteer movement, which became the basis of national resilience (resilience) and self-organization. At the same time, according to critical theory, excessive dominance of bonding capital can lead to social exclusion, hostility to "foreign" groups and, worst of all, can be used to form corruption networks, nepotism or tribalism in government bodies. In this case, instead of supporting democracy, it becomes a resource that undermines institutional trust and feeds shadow or authoritarian practices, as has been observed in some post-communist countries.

Bridging Capital: This capital creates external connections between different, heterogeneous groups. It is necessary for social inclusion and the spread of democratic norms. In the context of Ukraine, it ensures cooperation between East and West, between veterans and business, between government and public experts. This is the form of capital that contributes to the formation of public consensus around complex reforms, which is a direct task of public administration.

Vertical (Linking) Capital: This capital, which represents trust in formal institutions of power and their interaction with citizens, is a measure of the success of

democracy. If bonding or bridging capital is directed against institutions of power (for example, in the form of protests that do not lead to constructive change, or in the form of anti-government propaganda spread through networks), they can become a resource for destabilizing democracy, rather than preserving it.

As in Ukraine we observe a critical imbalance between a strong mobilized horizontal resource (solidarity, volunteering) and chronically low institutional trust (vertical capital), the key task of public administration and administration is to develop and implement tools that guarantee: 1) that civil society solidarity will be institutionalized and embedded in transparent decision-making processes (participatory governance), and 2) that this unique The horizontal resource will be used to restore the legitimacy and accountability of institutions. The inability of public administration to effectively transform mobilized horizontal capital into sustainable vertical trust will lead to its alienation from the state, increased political fragmentation and, according to critical theory, increase the risk that this powerful social resource will be used against democratic institutions, turning from a "cradle" into a "resource" for anti-state or non-democratic forces, which is unacceptable in the context of post-war development and European integration.

F. Fukuyama [6] connects social capital with a culture of cooperation. For him, high social capital is an unofficial norm that promotes interaction between individuals and is a prerequisite for a highly developed market and liberal democracy. Thus, social capital encompasses the factors that contribute to the emergence, development and maintenance of social ties. Even if the natural resources or technologies used by the state or an individual firm remain unchanged, social capital can grow as social ties expand and the image of both the individual firm and society as a whole is strengthened.

A study of the experience of countries with a high level of social protection, in particular Sweden, demonstrates that social capital can be considered as a process in which human capabilities are transformed into local initiatives to

improve living conditions in a certain territory. Sweden has realized that it is the social economy that is able to provide effective management decisions. The emphasis is not so much on the number of jobs created, but on their territorial location and meeting the needs of the population. Local authorities, for example, in the Värmland region, have identified the social economy as one of the six priorities, as they expect to receive additional value due to increased business activity.

Trust is recognized as the most valuable component of social capital and is primarily necessary for the prosperity of the country as a whole. Societies with high levels of trust tend to have a higher level of recognition of public authority, which in turn leads to lower costs for maintaining law and order. Institutional reforms that take place after macroeconomic changes go more smoothly, as the costs of resolving social conflicts are reduced.

On the contrary, in many third world countries with low levels of trust in citizens, basic institutional guarantees are lacking to protect against arbitrariness and exploitation by politicians. In such conditions, the only means of protecting interests are often fierce resistance or even civil war. In these countries, too, a civilized system of tripartism in relations between employers and employees has not yet been practically formed, where the state would act as a guarantor of the constitutional rights of its citizens.

Despite the differences in interpretations, the researchers recognize that the key role of social capital is to build trust between the participants in the relationship based on a common social identity and the possibility of predicting the actions of these participants, based on the norms they share. Social capital refers to the institutions, relationships and norms that shape the quality and quantity of social relationships in society, determining social interactions in the community both qualitatively and quantitatively.

*Conclusions.* Thus, theories of social capital are modern tools for studying socio-political processes. Despite a certain terminological fuzziness, the concept itself opens up significant scientific prospects, being at the stage of crystallization of the methodological basis. Social capital theories allow you to analyze the forms and consequences of social relations, trust in authorities and non-political institutions, social networks and quality of life, offering different angles of analysis of the impact of social capital on social development. Social capital constitutes a certain type of resource available to both individual and collective actor (subject), which is the potential for mutual trust and mutual assistance, which arises and is maintained in interpersonal relationships. It is a unifying element that binds society into a single system, acts as an effective mechanism and has a significant positive potential for the formation of life values of the population.

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