

## INDIVIDUALISM-COLLECTIVISM AND SOCIAL CAPITAL

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Many social scientists have predicted that one inevitable consequence of modernization is the unlimited growth of individualism, which poses serious threats to the organic unity of society. Others have argued that autonomy and independence are necessary conditions for the development of interpersonal cooperation and social solidarity. We reanalyzed available data on the relationship between individualism-collectivism and social capital within one country (the United States) and across 42 countries. In America, the states with a high level of social capital (higher degree of civic engagement in political activity, where people spend more time with their friends and believe that most people can be trusted) were found to be more individualistic. A correspondingly strong association between individualism and social capital was observed in the comparison of different countries. These results support Durkheim's view that when individuals become more autonomous and seemingly liberated from social bonds, they actually become even more dependent on society.

**Keywords:** individualism; collectivism; social capital

The question that has been the starting point for our study has been that of the connection between the individual personality and social solidarity. How does it come about that the individual, whilst becoming more autonomous, depends ever more closely upon society? How can he become at the same time more of an individual and yet more linked to society?

—Durkheim (1893/1984)

### EMERGENCE OF INDIVIDUALISM

In preindustrial, traditional societies, which have existed during the longest period of human history, individuals who constituted these societies lacked autonomy; they were almost completely subordinated to the society as a whole. In preagricultural societies, which were composed mostly of hunters and gatherers, there was little differentiation between the group, the individual, and nature. They were quite egalitarian, with minimal social differentiation and division of labor, and they almost completely lacked conceptions of separate and unified selfhood (Westen, 1985). Such traditional societies left no room for individuality and private life. But it is not that these societies artificially constricted or suppressed individual personality. It was simply the case that, at that moment of history, personality in the modern sense did not exist (Durkheim, 1893/1984).

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With the development of agriculture, societies became more affluent and, therefore, more complex and socially stratified. Nevertheless, in these societies, all beliefs, values, norms, and behaviors were prescribed by the society; each individual was assigned to one's place according to a rigid social hierarchy (Dumont, 1980). It was only during the so-called Axial Age, approximately between 800 BCE and 200 BCE, when the tensions between transcendental and worldly order, religious demands, and the empirical cosmos created a dualistic worldview (Eisenstadt, 1986). One of the consequences of this process was the emergence of the first form of individualism. As the classical, or "historic," religions developed, the distinction between the human and the divine, between the individual and nature, became more visible, leading "for the first time to a clearly structured conception of the self" (Bellah, 1964, p. 277). Such individualism, as in the case of Buddhism for example, was outworldly oriented; independence from society was achieved only by leaving it. By distancing themselves from society, however, the sects of renouncers never tried to change the world or initiate revolution (Buss, 2000).

In the Middle Ages, a similar tension between the Church—the first rational bureaucracy in history (Weber, 1914/1979)—and civil authority created a heightened concern for the individual person and his individual religious practices (Morris, 1972). The emergence of individuality in Europe at the end of the 11th century was a further sign of changes in Western society (Gurevich, 1995). As Dumont (1986) has convincingly documented, this individuality emerged primarily in relation to God. Each person was a private individual in direct relation to his Creator and model, and each person was a member or a part of the commonwealth at the level of earthly institutions (p. 62).

This dualism came to an end only with the rise of Calvinism. Although Luther had already removed the Church as an intermediary between God and the individual (Buss, 2000, p. 13), it was Calvinism that resolved the conflict between worldly and heavenly order—the individual was now in the world, and individual values ruled without any restriction or limitation (Dumont, 1986, p. 53). Figuratively speaking, since Calvin, there are only individuals left in society, individuals who create it and rule it (Buss, 2000, p. 13). The Protestant individual separated himself from the natural ties of the community, and all his animal impulses were overthrown by a rational and methodological plan of conduct that might secure his own salvation (Weber, 1905/1958). The priority of the individual over the collective and the community became a dominating Western doctrine that culminated in the French Declaration of the Rights of Man and of the Citizen (1789) and in the American Bill of Rights (1774). In modern, secularized societies, the individual is seen as an indivisible human being to whom a paramount value is attached. Each particular person in a sense represents the whole of mankind. Each individual is an independent, autonomous, and, thus, essentially nonsocial moral being (Dumont, 1986, p. 62).

#### THE TENSION BETWEEN THE INDIVIDUAL AND THE COLLECTIVE

A modern Western and democratic society that places ultimate value on the individual person also creates an intrinsic and irresolvable tension between the individual and society (Drechsler, 1995). Real or perceived threats to individual rights and personal freedoms from supraindividual forces—such as the state, for instance—might ignite extremely individualistic doctrines in economics, law, or politics. Political libertarianism, for example, advocates that the role of government should be minimal and that it should act exclusively in the service of those who have the wherewithal to act on their own. It was in the United States where individualism obtained the status of a system that secures, guards, and encourages free competi-

tion and capitalism (Lukes, 1971), and any attempt to subordinate individuals to the primacy of society as a whole is perceived as an inevitable route to totalitarianism (Dumont, 1986).

At the same time, many theorists have seen the unlimited growth of individualism as a threat to the organic unity between individuals and society. Particularly in France, the concept of individualism has historically carried a negative meaning, denoting individual isolation and social dissolution (Lukes, 1971). For many critics, individualism mainly fosters social atomization, which, in its turn, leads to the disappearance of social solidarity and to the dominance of egoism and distrust. Even de Tocqueville (1835/1945) anticipated that “in the long run [individualism] attacks and destroys all others and is at length absorbed in downright selfishness” (p. 98). According to many of these critics, a universal sense of solidarity can only arise from traditional, small-scale, face-to-face communities that were called *Gemeinschaft* by Ferdinand Tönnies (1887/1957). A sense of social solidarity is doomed to disappear and to be replaced by a modern, rational, and impersonal society (*Gesellschaft*), civic passivity, and self-seeking individualism. Although the civic ethos of traditional communities is obviously idealized (Putnam, Leonardi, & Nanetti, 1993, p. 114), these sentiments are often shared by psychologists. Competitiveness, for instance, is usually regarded as one of the direct consequences of individualism, if not a major cause of it. However, in a patron-client type of relationship that is most typical for *Gemeinschaft*, there is severe competition between all major categories of social actors (especially between higher groups) for access to needed resources and for control over these resources. The struggle between bosses of the Sicilian Mafia is certainly more spirited than the competition between neighbors in our modern society of consumption. In the patron-client type of model, relations are constructed in a manner that produces a constant struggle, marked by continuous negotiations about specifics of social exchange (Eisenstadt & Roniger, 1980).

Contemporary researchers who explore the dark sides of individualism, at least in its extreme forms, have linked it to several forms of social pathology, such as high crime, suicide, divorce, child abuse, emotional stress, and physical and mental illness rates (Cobb, 1976; Naroll, 1983) as well as to high levels of alienation and perceived loneliness (Triandis, Leung, Villareal, & Clack, 1985). These findings seem to support a view of communitarism, according to which the extreme individualism that prevails in America and in the West promotes excessive selfishness, alienates people, destroys vital institutions such as family and neighborhood, and is destructive of trust, friendship, and the common good (Etzioni, 1993, 1996; Lane, 1994). Thus, in the opinion of communitarians, society should exert a balancing force to excessive individualism, which endangers both individual rights and civic order.

However, individualism and collectivism (or more generally holism) are not mutually exclusive opposites. The individualistic configuration of ideas and values that characterizes most of the modern societies is, by itself, a creation of a certain type of social order or a particular form of culture in which a person can develop into an autonomous and self-sufficient agent. In this sense, an egalitarian, democratic, and secular society is an indispensable condition for the emergence and maintenance of individualism. Because the tension between individualistic and collectivistic (holistic) tendencies in modern societies cannot be eliminated, the only viable question is how to combine and compromise these two fundamental tendencies. Durkheim believed that the solution to this apparent antimony, depicted in the epigraph to this article, is the transformation of social solidarity, which arises from the ever-increasing division of labor (Durkheim, 1893/1984). The division of labor unites, rather than separates, individuals; it causes activities that can exist only in the presence of and in coordination with other activities. Historically, at least, there is no genuine contest between the individual and society because a certain type of society is a precondition of individualism.

Consequently, individualism does not necessarily jeopardize organic unity and social solidarity. On the contrary, the growth of individuality, autonomy, and self-sufficiency may be perceived as necessary conditions for the development of interpersonal cooperation, mutual dependence, and social solidarity. Waterman (1984), for instance, has argued that normative or ethical individualism even elevates social welfare by promoting trust as well as by encouraging people to work creatively, from which others can benefit (see also Madden, 2001). Psychologists have also noticed that the consequences of individualism are not always detrimental. For instance, it has been noticed that individualism (as it is conceptualized in psychology) is also associated with higher self-esteem and optimism (Kitayama, Markus, Matsumoto, & Norasakkunkit, 1997); individualistic cultures are higher on subjective well-being (Diener & Diener, 1995; Diener, Diener, & Diener, 1995; Diener & Suh, 1999; Suh, Diener, Oishi, & Triandis, 1998), and they report higher levels of quality-of-life (Veenhoven, 1999). People in individualistic cultures tend to have more acquaintances and friends (Triandis, 2000); they are more extraverted and open to new experience (McCrae, 2001); and they are more trusting and tolerant toward people of different races (Hofstede, 2001).

#### INDIVIDUALISM AND COLLECTIVISM IN PSYCHOLOGY

In psychology, the concepts of individualism and collectivism were of no particular interest until 1980 when a book by Geert Hofstede was published. Hofstede (1980), in his impressive study of 40 national cultures, identified and elaborated four dimensions of cultural variation: power distance, individualism-collectivism, uncertainty avoidance, and masculinity-femininity. As nicely expressed by Michael H. Bond, a distinguished cross-cultural psychologist, Hofstede's work was almost "a godsend," providing the integration of cultural differences that was so desperately needed: "At last, a cross-cultural navigator had an empirically charted map to guide and inform our journey" (Bond, 1994, p. 68). Because of its pivotal role in social discourse, it was individualism-collectivism (of the four dimensions) that overwhelmingly appealed to psychologists. As a result, Hofstede's study triggered a massive amount of cultural and cross-cultural research on individualism-collectivism in the ensuing 2 decades.

According to Hofstede's (1991) definition, "individualism pertains to societies in which the ties between individuals are loose: everyone is expected to look after himself or herself and his or her immediate family." Collectivism, on the other hand, "pertains to societies in which people from birth onwards are integrated into strong, cohesive in-groups, which throughout people's lifetime continue to protect them in exchange for unquestioning loyalty" (p. 51). Linking to theories of modernization, Hofstede (1991) claimed that industrialized, wealthy, and urbanized societies tend to become increasingly individualistic, whereas traditional, poorer, and rural societies tend to remain collectivistic. In later research, however, the constructs of individualism and collectivism underwent a series of modifications (see Kagitçibasi, 1997, for an overview). For instance, in addition to being used as characteristics of culture, the constructs are also considered to be personality attributes that vary across members of the same cultural group. Many researchers in the field argue that the cultural and individual levels must be separated for both conceptual and empirical purposes (Hofstede, 1994; Kim, Triandis, Kagitçibasi, Choi, & Yoon, 1994; Smith & Schwartz, 1997). At the cultural level, according to Triandis and Suh (2002), individualism is the polar opposite of collectivism (as it was also shown by Hofstede), whereas at the individual level of analysis, the two constructs are often found to be orthogonal to each other (e.g., Realo, Koido, Ceulemans, & Allik, 2002; Rhee, Uleman, & Lee, 1996). In the most recent and com-

prehensive review of the topic, Oyserman, Coon, and Kemmelmeier (2002) concluded that the core elements of individualism are personal uniqueness and independence, whereas duty to the in-group and maintaining harmony are the main constituents of collectivism.

At this point, we wish to discuss the conceptualization of individualism and collectivism in psychology in comparison to how it is usually seen and understood in the social sciences in general. Modernization has been a global process—by the beginning of the 21st century, it had encompassed nearly the entire world. In this perspective, as claimed by Wittrock (2000), “we all live in the age of modernity, and there is one such age, not many” (p. 31). Central to the cultural constitution of modernity is an emphasis on the autonomy of the individual and on the individual’s liberation from the chains of political and traditional authority (Eisenstadt, 2000). Thus, if one considers individualism as an inevitable companion to the global process of modernization, one may argue that all modern societies, by their very nature, are basically individualistic. But this is not quite how psychologists see the current state of affairs. It is true that psychologists have almost exclusively studied modern, industrialized, and literate societies. At the same time, a prominent trend in the research on individualism-collectivism has involved contrast between the so-called individualistic West and the collectivistic East. In current theorizing in cross-cultural psychology, for instance, European Americans are most commonly seen as the flag-bearers of Western individualism, and it is often claimed that collectivism dominates in East Asian cultures, such as in Japan and Korea (Oyserman et al., 2002). Consequently, despite the fact the all these societies can be called modern, psychologists argue that the tension between the individual and the collective (society) is solved differently in those cultures. In collectivistic East Asian cultures, individuals subordinate their personal goals to collective ones and see themselves as fundamentally connected with others (Markus & Kitayama, 1991), whereas in the individualistic West, most individuals are seen as separate and autonomous, and they live their lives in accordance with personal goals. This suggests that psychologists, even if only implicitly, seem to have adopted the idea of *multiple modernities*.

Most classical theories of modernization assumed for a long time that all societies around the world will ultimately adopt the Western program of modernity that includes Western values, institutions, and cultural practices (Eisenstadt, 2000). According to the defenders of the theory of convergence, for instance, the world was (and still is) moving toward a liberal, democratic, free-market society, of which the most advanced and prototypic example is the United States (Wittrock, 2000). Actual developments in modernizing societies, however, have supported the idea of multiple modernities that, according to Eisenstadt (2000), explains the history of modernity “as a story of continual constitution and reconstitution of a multiplicity of cultural programs” (p. 2). The process of modernization has given rise to multiple institutional and ideological patterns that are distinctively modern yet differ greatly in their traditions, cultural values, and practices. Thus, one of the most significant implications of multiple modernities is that modernization does not necessarily mean Westernization; it may even be that “in fundamental ways, the world is becoming more modern and less Western” (Huntington, 1996, p. 78). This idea helps us to understand how the concepts of individualism and collectivism are treated in cross-cultural psychology. Namely, to be called an individualist country (or cultural group) in cross-cultural psychology, it is not enough to be modern; one must also hold so-called Western and/or American values, institutions, and cultural practices. To put it differently, if a certain country or a cultural group has not fully adopted the Western/American program of modernity, it is most likely to be called collectivist. Individualism in psychology, thereby, is related not only to the idea of modernization but also to the concept of Westernism or Americanization. This explains why cross-cultural psy-

chologists claim that there are large differences even within the United States (e.g., between Asian and European Americans) on the dimension of individualism-collectivism (Oyserman et al., 2002; Vandello & Cohen, 1999) or why some of former Communist countries, in the aftermath of a Marxist utopia of modernization, are nevertheless considered to be as collectivistic as Mexico, India, or Japan (Diener et al., 2000).

### **SOCIAL CAPITAL**

The concept of social capital is much younger than individualism-collectivism. It was proposed to explain mechanisms of social cohesion and the performance of social institutions. Social capital has been defined in many different ways and, as Manski (2000) said, the origins of the term are not exactly clear. Many associate it with James Coleman (1988), who argued that social capital facilitates certain actions of actors within the social structure, and with Pierre Bourdieu (1986), who defined social capital as “the sum total of the resources, actual or virtual, that accrue to an individual (or a group) by virtue of being enmeshed in a durable network of more or less institutionalized relationships of mutual acquaintance and recognition” (p. 248). Robert Putnam (2000) further specified the definition of social capital, arguing that it “refers to connections among individuals—social networks and the norms of reciprocity and trustworthiness that arise from them” (p. 19). For Putnam (1995, 2000), the concepts of social connectedness and civic engagement (e.g., visiting neighbors, engagement in politics, membership in church-related groups and in civic and fraternal organizations) are the main features of social capital. In more general terms, as proposed by Paxton (1999), social capital seems to involve at least two important components: (a) objective associations between individuals (i.e., the individuals are tied to each other in social life) and (b) subjective associations (the ties between individuals are trusting and reciprocal). Fukuyama (1999), on the other hand, claims that concepts like trust, networks, and civic society that have been associated with social capital are, in fact, only epiphenomenal, emerging as an outcome of social capital but not being social capital itself. His definition characterizes social capital as an informal norm that promotes cooperation between (two or more) individuals. Despite these differences, all authors seem to agree that the concept of social trust or trustworthiness constitutes the core—or at least an important consequence—of social capital.

How is social capital related to individualism? If we take the communitarian point of view, we see individualism as destructive of the common good—it demolishes trust and civic order in a society and alienates its people. In that sense, growing individualism inevitably leads to destruction of social capital. The same conclusion can be reached if we follow Coleman’s (1988) claim that the norm that one should sacrifice self-interest and act in the interest of the group is another extremely important form of social capital. This form of social capital almost completely overlaps with one of the defining attributes of individualism-collectivism in cross-cultural psychology, which says that in collectivism (as opposed to individualism), one gives priority to the goals of the group(s) over one’s own personal goals (Triandis, 1995). In other words, the growth of social capital inevitably requires a sacrifice of individualism.

On the other hand, in line with Durkheim and his followers, one might argue that individualism is a precondition for the growth of social capital—voluntary cooperation and partnership between individuals are only possible when people have autonomy, self-control, and a

mature sense of responsibility. “Even a convinced individualist must accept that ‘Man is not God and that he lives together with his own kind in one world (H. Arendt)’ and therefore, it is reasonable to claim that only the pursuit of self-interest automatically leads to a sensible and just order of society and economics” (Drechsler, 1995, pp. 458-459). In this perspective, it is not surprising to observe that the participation in many associations does not threaten, but rather encourages, individualism (Triandis, 1995). If there is only one in-group (family, for instance), as it is the case for many collectivistic cultures, it tends to rule social life by providing the only source of social support, identity, and norms. Individuation or the shift toward individualism, in Triandis’s view, is a consequence of multiple in-groups (i.e., numerous voluntary associations, civic organizations, church groups, etc.) that fragment social control over an individual and place more emphasis on personal responsibility. Participation in many groups and associations undermines unquestionable loyalty toward only one in-group, family, or kinsmen and promotes trust toward people of different character. Not surprisingly, there is some empirical evidence to support this point of view. As shown by Hofstede (2001) in his analysis of 26 cultures (see Exhibit 4.12 on p. 191), with more individualism, there is also an increase in tolerance and trust. The Pearson correlation between the Individualism Index and the interpersonal trust score (percentage of respondents saying “most people can be trusted”) from the 1990-1993 World Value survey was highly significant ( $r = .62, p = .001$ ).

#### AIM OF THIS STUDY

Taken together, the relationship between individualism and social capital is far from being clear. The aim of the present study is to clarify this relationship by looking at how different indices of individualism correlate with the measures of social capital both within and across cultures. First, we will explore the relationship of the two constructs within one country. The United States is particularly suited for this kind of analysis, as measures of individualism-collectivism (Vandello & Cohen, 1999) and social capital (Putnam, 2000) are available for most of the states (see Table 1). Secondly, we will repeat our analyses at the cross-national level by using two indices of individualism-collectivism—Hofstede’s (2001) index of individualism-collectivism and a combined index of individualism-collectivism by Hofstede and Triandis (Diener et al., 2000)—and two indices of social capital—scores of interpersonal trust and an index of organizational membership (Inglehart, 1997) (see Table 2). To our knowledge, this is the first study to examine the relationship between individualism and social capital by reanalyzing available empirical data.

Individualism-collectivism and social capital are both rather broad and abstract concepts that have been defined and measured in a number of different ways. As our selection of possible measures was driven by their availability and not necessarily by their conceptual elaboration, we are fully aware of the fact that the selected measures fail to capture some relevant characteristics. The two culture-level indices of individualism-collectivism, for instance, were constructed on the basis of relatively specific and narrow definitions of individualism-collectivism that, nevertheless, have been used as universal and genuine indicators in cross-cultural research. Despite these obvious limitations, we hope to demonstrate that the selected indicators represent important features of individualism-collectivism, social capital, and their interrelationship.

**TABLE 1**  
**Scores for Social Capital, Individualism-Collectivism,**  
**and GSP (1999) in the United States**

<i>States</i>	<i>Social Capital</i>	<i>Interpersonal Trust</i>	<i>Group Membership</i>	<i>Individualism-Collectivism</i>	<i>GSP 1999 (per capita)</i>
Alabama	-1.07	23%	1.65	57	25,952
Alaska	—	—	—	48	42,127
Arizona	0.06	47%	1.88	49	28,577
Arkansas	-0.50	29%	1.44	54	24,491
California	-0.18	43%	1.69	60	36,749
Colorado	0.41	46%	1.95	36	36,403
Connecticut	0.27	49%	2.05	50	44,889
Delaware	-0.01	—	—	55	44,729
Florida	-0.47	37%	1.62	54	28,114
Georgia	-1.15	38%	1.84	60	34,291
Hawaii	—	—	—	91	33,611
Idaho	0.07	—	—	42	26,660
Illinois	-0.22	44%	1.72	52	36,057
Indiana	-0.08	43%	1.87	57	30,127
Iowa	0.98	56%	1.99	39	29,230
Kansas	0.38	55%	2.11	38	30,180
Kentucky	-0.79	32%	1.51	53	28,252
Louisiana	-0.99	33%	1.31	72	28,902
Maine	0.53	—	—	45	26,852
Maryland	-0.26	42%	1.95	63	33,292
Massachusetts	0.22	46%	1.77	46	41,596
Michigan	0.00	51%	1.89	46	31,154
Minnesota	1.32	63%	2.13	41	35,528
Mississippi	-1.17	17%	1.62	64	22,747
Missouri	0.10	44%	1.80	46	30,651
Montana	1.29	64%	2.69	31	22,983
Nebraska	1.15	—	—	35	31,511
Nevada	-1.43	—	—	52	36,224
New Hampshire	0.77	62%	1.51	43	36,208
New Jersey	-0.40	41%	1.67	59	39,727
New Mexico	-0.35	—	—	51	28,172
New York	-0.36	40%	1.66	53	40,048
North Carolina	-0.82	27%	1.30	56	32,529
North Dakota	1.71	67%	3.29	37	26,326
Ohio	-0.18	41%	1.88	45	31,915
Oklahoma	-0.16	39%	1.65	42	25,199
Oregon	0.57	55%	1.83	33	32,261
Pennsylvania	-0.19	44%	1.91	52	31,214
Rhode Island	-0.06	52%	1.90	48	31,341
South Carolina	-0.88	34%	1.87	70	26,891
South Dakota	1.69	—	—	36	28,838
Tennessee	-0.96	36%	1.73	56	30,156
Texas	-0.55	33%	1.79	58	33,470
Utah	0.50	54%	2.46	61	28,453
Vermont	1.42	59%	—	42	28,393
Virginia	-0.32	38%	1.82	60	34,659
Washington	0.65	46%	2.13	37	35,752
West Virginia	-0.83	30%	1.59	48	22,447
Wisconsin	0.59	52%	1.87	46	31,203
Wyoming	0.67	60%	2.35	35	35,459

(continued)



TABLE 1 (continued)

SOURCE: The first three indices in the table come from Putnam (2000); Individualism-Collectivism comes from Vandello and Cohen (1999, Table 1); GSP comes from U.S. Department of Commerce, Bureau of Economic Analysis (2002).

NOTE: Social Capital = the Social Capital Index (z-scores; higher scores reflect higher levels of social capital). Interpersonal Trust = average percentage of respondents saying "most people can be trusted." Group Membership = average number of group memberships. Individualism-Collectivism = the United States Collectivism Index (an index with a mean of 50 and a standard deviation of 20; higher scores indicate greater collectivism); GSP = total Gross State Product per capita).

## METHOD

### MEASURES

#### Social Capital

*U.S. Social Capital Index.* The Social Capital Index (Putnam, 2000) was composed of 14 state-level indicators that were drawn from a variety of sources (the data came from three independent survey archives and three different government agencies). The 14 indicators of formal and informal community networks were the following:

1. Served on a committee of a local organization in the past year.
2. Served as an officer of a club or organization in the past year.
3. Number of civic and social organizations per 1,000 population.
4. Average number of club meetings attended in past year.
5. Average number of group memberships.
6. Turnout in presidential elections, 1988 and 1992.
7. Attended any public meeting on town or school affairs in the past year.
8. Number of non-profit organizations per 1,000 population.
9. Average number of times worked on a community project in the past year.
10. Average number of times volunteered in the past year.
11. Agree that "I spend a lot of time visiting friends."
12. Average number of times entertained at home in the past year.
13. Agree that "most people can be trusted."
14. Agree that "most people are honest."

The last four items are from the DDB Needham Life Style Survey with an annual sample of 3,500 to 4,000 and more than 87,000 respondents over the past 25 years (Putnam, 2000, p. 420). A summary index was computed as an average of the standardized scores of the 14 items (see Putnam, 2000, p. 290-291). The overall standardized alpha of the 14-item measure was .94 with an average interitem correlation of .57. In factor analysis, all 14 indicators loaded on a single factor with an average factor loading of .75. The 14 state-level measures of social capital along with the Social Capital Index (available for 48 states) were downloaded from <http://www.bowlingalone.com/data.php3> (see Table 1 for state values).

*Indices of social capital at the national level.* Because we were not able to find a single composite measure of social capital at the national level, we used several separate indices that would measure the two essential aspects of social capital: interpersonal trust and civic engagement. The scores for those measures were based on the 1990-1991 World Values Survey (Inglehart, 1997; Table A2 and A4). The interpersonal trust score (percentage of respon-

**TABLE 2**  
**Scores for Interpersonal Trust, Organizational Membership,**  
**Individualism-Collectivism, and GDP (1990) Per Capita for 42 Cultures**

	<i>Social Capital</i>		<i>Individualism</i>		<i>GDP 1990</i> <i>(Per Capita)</i>
	<i>Interpersonal</i> <i>Trust</i>	<i>Organizational</i> <i>Membership</i>	<i>Collectivism</i> <i>IDV</i>	<i>IC</i>	
Argentina	23	3	46	4.80	5,782
Austria	32	112	55	6.75	27,261
Belarus	26	-	-	4.00	2,761
Belgium	33	145	75	7.25	25,744
Brazil	7	85	38	3.90	4,078
Bulgaria	30	70	30	5.00	1,716
Canada	52	170	80	8.50	19,160
Chile	23	81	23	4.15	2,987
China	60	83	20	2.00	349
Czech Republic	28 <sup>a</sup>	-	58	7.00	5,270
Denmark	58	175	74	7.70	31,143
East Germany	26	168	-	6.00	6,300 <sup>b</sup>
Estonia	28	120	60	4.00	4,487
Finland	63	175	63	7.15	25,957
France	23	75	71	7.05	25,624
Hungary	25	72	80	6.00	4,857
Iceland	44	235	-	7.00	26,510
India	34	-	48	4.40	331
Ireland	47	93	70	6.00	13,907
Italy	37	77	76	6.80	18,141
Japan	42	20	46	4.30	38,713
Latvia	19	118	-	4.00	3,703
Lithuania	31	87	-	4.00	3,191
Mexico	33	93	30	4.00	4,046
Netherlands	56	242	80	8.50	24,009
Nigeria	23	-	20	3.00	258
Northern Ireland	44	115	-	5.00	12,177 <sup>c</sup>
Norway	65	188	69	6.95	28,840
Poland	35	-	60	5.00	2,900
Portugal	21	68	27	7.05	9,696
Republic of Korea	34	145	18	2.40	7,967
Romania	16	45	30	5.00	1,576
Russia	38	105	39	6.00	3,668
Slovenia	17	62	27	5.00	9,659
South Africa	28	-	65 <sup>d</sup>	5.75	4,113
Spain	34	15	51	5.55	13,481
Sweden	66	205	71	7.55	26,397
Switzerland	43	95	68	7.90	45,951
Turkey	10	-	37	3.85	2,589
United Kingdom	44	116	89	8.95	18,032
United States	50	185	91	9.55	25,363
West Germany	38	135	67	7.35	19,400 <sup>b</sup>

SOURCE = Interpersonal Trust comes from Inglehart (1997, Table A.2); Organizational membership comes from Inglehart (1997, Table A.4); IDV comes from Hofstede (2001, Exhibits A5.1, A5.2, and A5.3); IC comes from Diener, Gohm, Suh, and Oishi (2000, Table 1); GDP comes from the United Nations Development Program (2000).

NOTE: Interpersonal Trust = average percentage of respondents saying "most people can be trusted." Organizational Membership = cumulative percentage of citizens belonging to 16 types of voluntary associations. IDV =

(continued)

TABLE 2 (continued)

Hofstede's index of individualism-collectivism; IC = Hofstede/Triandis' combined index of individualism-collectivism; GDP 1990 = Gross Domestic Product per capita in 1990 (1995 US\$).

a. Inglehart's (1997) ratings refer to Czechoslovakia.

b. The values of GDP for East and West Germany are given for year 1993 (NATO, 2002).

c. The value of GDP for Northern Ireland is given for year 1995 (Northern Ireland Statistics and Research Agency, 2002).

d. Data from South Africa were collected only from Whites.

dents saying "most people can be trusted") and the cumulative percentage of citizens belonging to 16 types of voluntary associations<sup>1</sup> were available for 42 and 35 countries, respectively (see Table 2 for country values). The two proposed indicators of social capital—interpersonal trust and organizational membership—exhibited a significant positive relationship ( $r(35) = .60, p = .000$ ), suggesting that the measures tap more or less the same phenomenon.

### Individualism-Collectivism

*U.S. Individualism-Collectivism Index.* Vandello and Cohen's (1999) strategy in creating an index of individualism-collectivism was to find state-level data on the individualism-collectivism construct that would reflect the widest range of cultural practices ranging from "family and living arrangements to political, occupational, and religious behaviors" (p. 282). Their final index of individualism-collectivism comprised the following eight variables:

1. Percentage of people living alone (reverse scored).
2. Percentage of elderly people (aged 65+ years) living alone (reverse scored).
3. Percentage of households with grandchildren in them.
4. Divorce to marriage ratio (reverse coded).
5. Percentage of people with no religious affiliation (reverse coded).
6. Average percentage voting Libertarian over the last four presidential elections (1980-1992; reverse scored).
7. Ratio of people carpooling to work to people driving alone.
8. Percentage of self-employed workers (reverse scored).

The raw scores for each of these items were then standardized across 50 states and summed to form an overall individualism-collectivism index for each state (higher scores indicate more collectivism and lower scores reflect greater individualism). The scores were then linearly transformed by multiplying the means by 20 and adding this result to 50. As Vandello and Cohen (1999) note, they essentially created an index with a mean of 50 and a standard deviation of 20. The overall standardized alpha for the 8-item index was .71. Data were available for all 50 states (see Vandello & Cohen, 1999, Table 1).

*Individualism-collectivism across countries.* In the culture-level analysis, two indices of individualism-collectivism were used. The first index came from research of Geert Hofstede (1980, 2001) who, in his extensive study of more than 50 countries, identified individualism-collectivism as one of the four most important cultural dimensions. The initial IBM database allowed computation of the Individualism Index for 50 countries and three regions (i.e., Arab countries, East Africa, and West Africa; Exhibit A5.1) on the scores of the 14 "work goals" questions. According to Hofstede (2001), the Individualism Index (IDV) was mainly affected by scores for the following six work goals:

1. Have a job that leaves you sufficient time for your personal or family life.
2. Have considerable freedom to adapt to your own approach to the job.
3. Have challenging work to do—work from which you can get a personal sense of accomplishment.
4. Fully use your skills and abilities on the job (reversed).
5. Have good physical working conditions (reversed).
6. Have training opportunities (reversed).

The index was standardized and brought into a range between 0 (*most collectivistic*) and 100 (*most individualistic*). In his later research, Hofstede (2001) provided index score estimates for 16 additional countries that were not included in the initial IBM study (Exhibit A5.3) as well as 9 index scores by language area for multilingual countries (Exhibit A5.2). In our study, Hofstede's index scores of individualism (IDV) were used for 77 countries. In addition to 50 index scores that were taken from Exhibit A5.1 and 16 index scores from Exhibit A5.3, the individualism index scores for Croatia, Serbia, and Slovenia were taken from Exhibit A5.2. Four countries (Ethiopia, Kenya, Tanzania, and Zambia) that Hofstede (2001) combined into an East African region (see Exhibit 2.1) were given the same score. In a similar manner, Egypt and United Arab Emirates (Arab countries) and Ghana and Nigeria (West African region) were given the scores of their respective regions (Exhibit A5.1).

Secondly, individualism-collectivism ratings for 42 cultures were obtained from a study by Diener and colleagues (2000; Table 1) on marital status and subjective well-being. In recent years, it has become popular to use the ratings of individualism-collectivism (IC) given by a leading expert in the field who, being unaware of the aims of the research, rates cultures on a scale anchored by 1 (*most collectivist*) and 10 (*most individualist*). Such ratings have been conveniently used in multicultural studies that have aimed to find associations between personality constructs (e.g., personality traits, pace of life) and features of culture when direct data are lacking on the second set of variables. To obtain an index of individualism-collectivism for all 42 countries included in their research, Diener and colleagues (2000) used the ratings of two leading experts in the field, Geert Hofstede (1980) and Harry C. Triandis. Whereas Hofstede's ratings were derived from his cross-cultural research in the 1960s and the 1970s, the ratings of Triandis were based on his "extensive knowledge of individualism-collectivism research and on his personal observations of the behavior of people in most of the countries included in the present study" (Diener et al., 2000, p. 426). The ratings of Hofstede and Triandis were averaged for 26 overlapping nations. The individualism-collectivism ratings of 16 other countries that were not included in Hofstede's research (1980) were based on Triandis' ratings only. As the data on marital status and subjective well-being came from the World Values Survey (1990-1993), the set of 42 countries is exactly the same as for the interpersonal trust scores (Inglehart, 1997) described above.

## RESULTS

### INDIVIDUALISM-COLLECTIVISM AND SOCIAL CAPITAL IN THE AMERICAN STATES

First, we examined the relationship between individualism-collectivism and social capital in the American states, using the respective indices of Vandello and Cohen (1999) and Putnam (2000).

The relationship between the indices of individualism-collectivism and social capital is shown graphically in Figure 1. The plot shows a high overall correlation between the two

dimensions. Across 48 states, the Pearson correlation coefficient is  $-.76$  ( $p = .000$ ), indicating that states with higher levels of social capital tend to be more individualistic. According to Figure 1, high levels of both community-based social capital and individualism prevail in the states that belong to the Plains region: Montana, North Dakota, South Dakota, and Nebraska. Low social capital and collectivistic tendencies, on the other hand, can be found in the area of the former Confederacy, in the states of South Carolina, Louisiana, Mississippi, Georgia, and so on. There are no remarkable outliers on the plot, except perhaps for two states, Nevada and Utah. Nevada, on one hand, has a medium score on individualism-collectivism dimension but a rather low score on social capital. Utah, on the other hand, scores quite high on both collectivism and social capital. The correlation between individualism-collectivism and social capital remained intact ( $r' = -.76, p = .000$ ) when controlled for the total Gross State Product per capita in 1999 (GSP; U.S. Department of Commerce, Bureau of Economic Analysis, 2002).

We also computed correlations between the index of individualism-collectivism and two indicators of community networks that were included in the total index of social capital—the average percentage of people per state saying that “most people can be trusted” and the average number of group memberships per state (Putnam, 2000). (These are the indicators we use to measure social capital at the national level.) Both negative correlations were significant at  $p = .001$ :  $r(41) = -.70$  and  $r(40) = -.49$ , respectively. If the relationships were controlled for total GSP per capita in 1999, the correlations remained unchanged ( $r' = -.70$  and  $-.49$ , respectively,  $p = .000$ ).

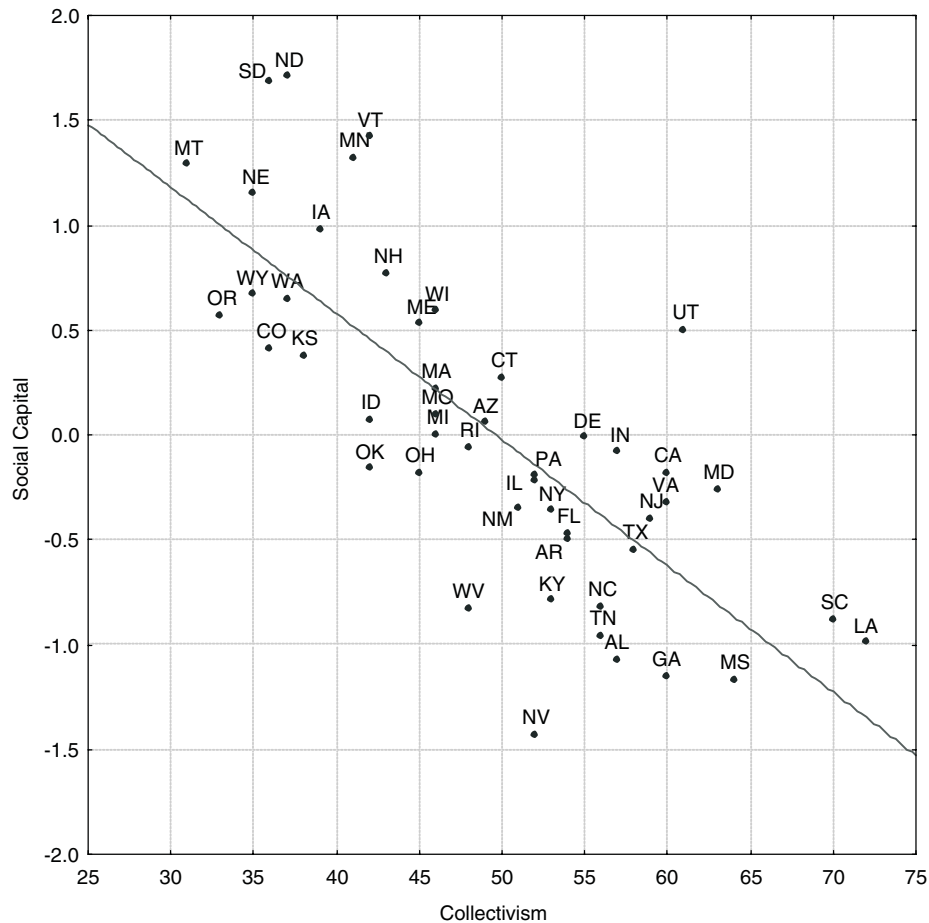
#### INDIVIDUALISM-COLLECTIVISM AND SOCIAL CAPITAL ACROSS CULTURES

For 37 countries in our analyses, both Hofstede’s index of individualism (IDV) and the Hofstede/Triandis combined ratings of individualism-collectivism (IC) were available. The correlation between the IDV and the IC was very high ( $r(25) = .82, p = .000$ ), suggesting a close functional relationship between the two variables. Therefore, we decided to use only one of the individualism indices in our further analyses. We chose the IC as the list of rated countries completely overlapped with the list of countries for which Inglehart’s scores of social capital were available ( $n = 42$ ).<sup>2</sup>

The IC correlated with the interpersonal trust variable in the expected direction:  $r(42) = .47$  ( $p = .002$ ). Figure 2 shows that the countries with the highest levels of interpersonal trust are the countries most characterized by high levels of individualism: Finland, Norway, Sweden, Denmark, the Netherlands, Canada, and the United States. The truly remarkable outlier on the plot is China with the lowest rating of individualism (i.e., the highest rating of collectivism) and nearly the highest level of interpersonal trust. When China, an obvious outlier, was excluded, the correlation increased to  $r(41) = .61$  ( $p = .000$ ).

Because both individualism and interpersonal trust have been found to be highly related to economic prosperity (Hofstede, 2001; Inglehart, 1997; Inglehart & Baker, 2000), we looked at the association between individualism and interpersonal trust while controlling for gross domestic product per capita in 1990 (GDP; United Nations Development Program, 2000).<sup>3</sup> Not surprisingly, the correlation dropped from  $.61$  to  $.31$  and became nonsignificant ( $p = .054$ ).

A similar pattern of correlations was observed for the IC and the cumulative percentage of citizens belonging to 16 types of voluntary associations:  $r(35) = .50, p = .002$ . When the relationship was controlled for GDP (1990; United Nations Development Program, 2000), the magnitude of the correlation dropped to  $.39$  ( $p = .027$ ).



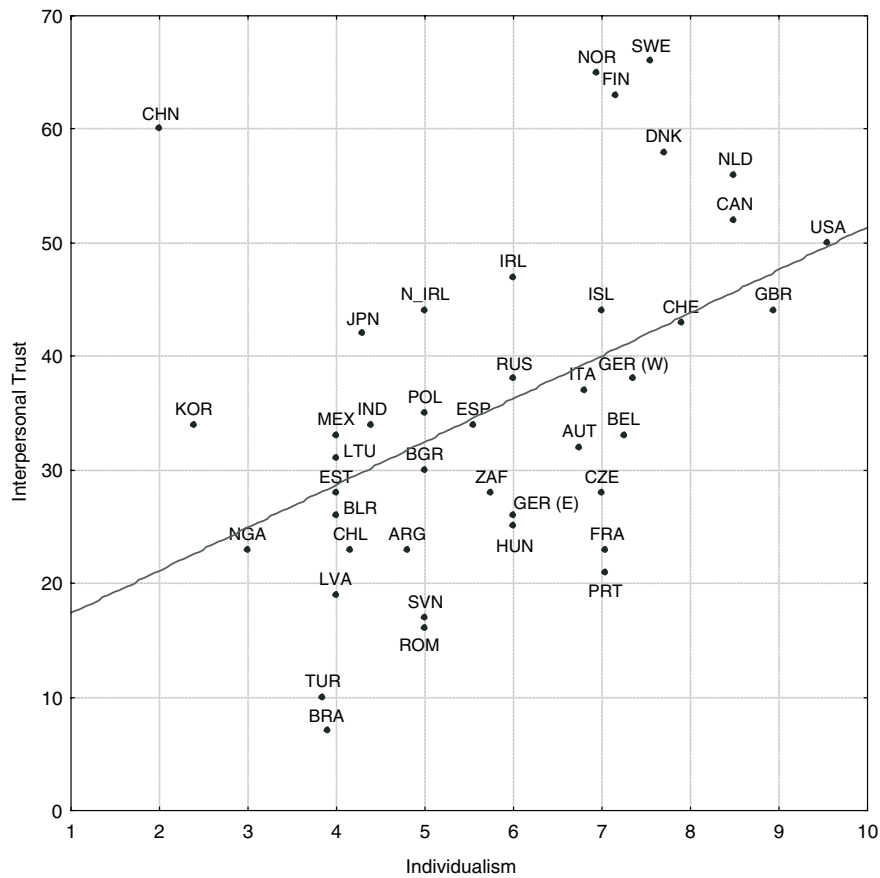
**Figure 1: Social Capital and Individualism-Collectivism in the United States**

SOURCE: The Collectivism Index comes from Vandello and Cohen (1999, Table 1); the Social Capital Index comes from Putnam (2000).

NOTE: Higher scores indicate higher levels of both social capital and collectivism (or a lower level of individualism). AL = Alabama; AK = Alaska; AZ = Arizona; AR = Arkansas; CA = California; CO = Colorado; CT = Connecticut; DE = Delaware; FL = Florida; GA = Georgia; HI = Hawaii; ID = Idaho; IL = Illinois; IN = Indiana; IA = Iowa; KS = Kansas; KY = Kentucky; LA = Louisiana; ME = Maine; MD = Maryland; MA = Massachusetts; MI = Michigan; MN = Minnesota; MS = Mississippi; MO = Missouri; MT = Montana; NE = Nebraska; NV = Nevada; NH = New Hampshire; NJ = New Jersey; NM = New Mexico; NY = New York; NC = North Carolina; ND = North Dakota; OH = Ohio; OK = Oklahoma; OR = Oregon; PA = Pennsylvania; RI = Rhode Island; SC = South Carolina; SD = South Dakota; TN = Tennessee; TX = Texas; UT = Utah; VT = Vermont; VA = Virginia; WA = Washington; WV = West Virginia; WI = Wisconsin; WY = Wyoming.

## DISCUSSION

The main result of our reanalysis of previously published data is quite clear. In the United States, states that are characterized by a higher degree of civic engagement and political activity, where people spend more time with their friends and believe that most people are honest and can be trusted, are also more individualistic. People in these states prefer to live alone and to be self-employed; they avoid religious affiliations and tend to vote for the Libertarian political program. In other words, states with higher levels of individualism are those



**Figure 2: Interpersonal Trust and Individualism-Collectivism in 42 Countries**

SOURCE: Hofstede/Triandis combined ratings of individualism-collectivism (IC) comes from Diener, Gohm, Suh, and Oishi (2000, Table 1). Interpersonal trust score (average percentage of respondents saying “most people can be trusted” per country) comes from Inglehart (1997, Table A2).

NOTE: Higher scores indicate higher levels of both interpersonal trust and individualism (or a lower level of collectivism). ARG = Argentina; AUT = Austria; BLR = Belarus; BEL = Belgium; BRA = Brazil; BGR = Bulgaria; CAN = Canada; CHL = Chile; CHN = China; CZE-SVK = Czech Republic; DNK = Denmark; EST = Estonia; FIN = Finland; FRA = France; GER (W) = West-Germany; GER (E) = East-Germany; GBR = Great Britain; HUN = Hungary; ISL = Iceland; IND = India; IRL = Ireland; ITA = Italy; JPN = Japan; KOR = Republic of Korea; LVA = Latvia; LTU = Lithuania; MEX = Mexico; NLD = the Netherlands; NGA = Nigeria; N\_IRL = Northern Ireland; NOR = Norway; POL = Poland; PRT = Portugal; ROU = Romania; RUS = Russia; SVN = Slovenia; ZAF = South Africa; ESP = Spain; SWE = Sweden; CHE = Switzerland; TUR = Turkey; USA = United States of America.

that have been able to build and maintain a strong system of social networks based on voluntary cooperation and mutual trust. A correspondingly strong association between individualism and social capital was observed at the national level—that is, in comparison of different countries. Countries in which people believe that “most people can be trusted” and where citizens belong to a larger number of different voluntary associations were also more individualistic, emphasizing the importance of independence, personal time, personal accomplishments, and freedom to choose one’s own goals. Countries with higher social capital seem to be more democratic as well (Paxton, 2002).

The only country in our analyses that clearly did not follow this pattern was China. Amongst 42 cultures, it had the lowest rating of individualism (based solely on Triandis's expert opinion) but nearly the highest level of interpersonal trust. This is surprising because China has been characterized as a familistic society in which relationships with family and/or broader forms of kinship are of primary importance (Fukuyama, 1995; Triandis, 1995). As Fukuyama (1995) argues, social capital in China (and in other similar societies in Asia and Latin America) resides largely in families or in other narrow circles of social relationships, and, therefore, it is difficult for people to trust those who remain outside of these circles. The same argument can be found in the literature on individualism-collectivism where it is often claimed that, in collectivist cultures (China, for instance), there is a strong distinction between in-group and out-group (Triandis, 1995), which implies that people may only trust those who belong to the same in-group (Hofstede, 2001). Therefore, it is difficult to find a good explanation for the high level of general interpersonal trust among the Chinese in the 1990-1991 World Value Survey. As Inglehart notes (1997), they checked the results of this survey against another national survey conducted in China in 1992, and the latter also showed somewhat higher levels of interpersonal trust among Chinese than in any other non-democratic society (p. 173).<sup>4</sup> In fact, these findings are supported by an earlier study of Zhang and Bond (1992) who found that the mainland Chinese gave more trust toward their acquaintances and strangers than did either Hong Kong or American subjects. Whatever the explanation might be—the influence of a Confucian, communistic, or modern collectivistic ideology or simply the measurement bias—researchers seem to agree that the Chinese data deviate from the dominant trend and, therefore, obviously need an individual explanation. In general, it points to the potential limitations of single-item measures. Although trust scores were correlated with membership percentages in voluntary associations, it is still possible that “trust” has a specific meaning in Chinese culture and society.

#### WHERE DOES SOCIAL CAPITAL COME FROM?

A mere correlation (no matter how high it is) between measures of social capital and individualism tells us nothing of course about their causal linkage. What we can conclude is that individualistic values appear to be conducive to social capital and social capital appears to be conducive to individualism (see also Inkeles, 2000). Only a longitudinal analysis can reveal more about causal relations. For example, using a cross-lagged panel design, it was found that social capital affects democracy and that democracy affects social capital; vigorous associational life is beneficial for the creation and maintenance of democracy, and democracy, in turn, supports the growth of voluntary associations (Paxton, 2002). However, embedded into a wider nomological network, the relationship between social capital and individualism becomes more transparent. As noted in our introduction, individualism can be seen as a consequence of modernization. Modern, rational societies are built on the self-interest of individual actors whose independence and inalienable individual rights form the core of their political and economical life. Many social scientists have predicted that one inevitable consequence of modernization is the unlimited growth of individualism, which poses serious threats to the organic unity of individuals and society by paving a road to social atomization, unbounded egoism, and distrust (Etzioni, 1993, 1996; Lane, 1994). Existing data, however, provide no support for such pessimistic prognoses. On the contrary, we saw that individualism appears to be rather firmly associated with an increase of social capital, both within and across cultures. Paradoxically, in societies where individuals are more autonomous and seemingly liberated from social bonds, the same individuals are also more



inclined to form voluntary associations and to trust each other and to have a certain kind of public spirit. Adam Smith was apparently among the first to understand that to express public spirit in the fullest possible way and to make public interests his own affair, a man needs to be somewhat independent of particularistic and factional interests (Smith, 1759/2002). The division of functions and roles in societies unites rather than separates individuals by initiating activities that are necessary for coordinated action and cooperation. We become moral beings only through our relationships to others; the society is, as Smith says, simply “the mirror in which one catches sight of oneself” (Haakonssen, 2002, p. xv). To notice that we are different from the others and they are different from us, we need to interact with others and sympathetically imagine the reasons for their behavior. At the same time, our understanding of how others see us shapes our view of who we are and how we stand in relationship to life (Haakonssen, 2002). Thus, the autonomy and independence of the individual may be perceived as the prerequisites for establishing voluntary associations, trusting relationships, and mutual cooperation with one another.

However, this is just one side of the story, which does not fully explain the need for self-conscious and autonomous individuals to engage with one another and to invest in the cultivation of reciprocity, honesty, and trust. Another explanation to the seeming paradox is that despite being autonomous and independent, people realize that they will not benefit individually unless they pursue their goals collectively (see Putnam, 2000, p. 124). Or as it was expressed by de Tocqueville (1835/1945), among modern, democratic nations,

all the citizens are independent and feeble; they can do hardly anything by themselves, and none of them can oblige his fellow men to lend him their assistance. They all, therefore, become powerless if they do not learn voluntarily to help one another. (p. 107)

Thus, people may be brought together by mere self-interest, but in their interaction, something else comes forth that leads not only to higher levels of mutual trust and cooperation but also to greater economic prosperity and better health as it has been found in recent research (e.g., Beem, 1999; Putnam et al., 1993).

Although social scientists are inclined to perceive the emergence of an individualistic and, hence, a trustworthy society as a uniquely cultural invention, biologists have recently started to insist that there may be some biological basis for these kinds of societal changes. For example, as proposed by Ridley (1997), “Our minds have been built by selfish genes, but they have been built to be social, trustworthy and cooperative” (p. 249). Pursuing the same line of argument, Frans de Waal (2001) provided a convincing picture that not only humans but also animals are capable of unselfish acts. Many animal societies are based on cooperation and trust between their members, and to survive, one does not need to be necessarily tough but also kind toward others.

In the present study, a positive relationship between interpersonal trust and individualism was observed at the national level of analysis. Unfortunately, we do not have or know of any data that would allow us to examine this relationship at the individual level. Correlations that emerge from aggregated data do not necessarily repeat individual correlations; they can be stronger than, weaker than, or equal to individual correlations (Ostroff, 1993). Fortunately, not all our measures of individualism-collectivism and social capital were aggregated from individual responses, and, therefore, we believe they are not affected by the ecological fallacy. For a complete picture, one needs to develop a social psychological model of trust at the individual level, but it would be erroneous to think that ecological-level models cannot be perfectly specifiable and do not describe causal processes (Schwartz, 1994, p. 819). To dis-

entangle the individual level from the ecological level, future research needs to use multilevel research methods (see van de Vijver & Poortinga, 2002).

#### ON THE IMPORTANCE OF NATIONAL WEALTH

There is a view that argues that the emergence of affluent and economically prosperous societies was a cultural invention. Weber (1905/1958), for instance, argued that to a large extent, the idea of capitalism was born directly out of the Protestant ethic. But he also believed that it would be necessary to explore how Protestant Asceticism was influenced by social and economic conditions of the society, meaning that both values and economic variables reciprocally influence each other. Following Weber's line of theorizing, Putnam et al. (1993) analyzed Italian regional data from the 19th century to the 1980s and found that regions with higher levels of social capital also had higher levels of economic development. Most interesting, they found that levels of social capital in those regions at the beginning of the 20th century predicted levels of economic development some 60 to 70 years later even better than the economic variables. Individualism-collectivism also has been shown to be related to economic prosperity. In his analysis across 50 countries, Hofstede (2001) showed that there is a strikingly strong correlation between his index of individualism-collectivism and GNP per capita,  $r = .84$ . While discussing the possible causal linkage between the two phenomena, Hofstede (2001) demonstrated that it is wealth that creates individualism. As a country's wealth increases, it is likely to become more individualistic. It was argued that resource scarcity or poverty makes people depend on their in-groups, but when a society's wealth increases, its people become both economically and morally independent of each other (Hofstede, 2001; Triandis, 1995). The solution for this controversy may be the selection of an appropriate time scale: In the long view, it is a change in spirit that initiates economic growth, but at a certain point, available material resources may begin to limit the expression of individualism.

Because of the strong relationship between wealth and individualism, it is possible that the increase of social capital in a society is not a product of individualism as such but a consequence of available economic resources. Social capital may be a luxury that only rich societies can afford to possess. Indeed, when we controlled for GDP per capita, the association between individualism and social capital decreased somewhat, especially in the case of interpersonal trust. However, the decrease was not so dramatic as to force us to explain the relationship between social capital and individualism as the sole influence of a third factor, economic prosperity. Moreover, within the United States the relationship between individualism-collectivism and social capital was not influenced by wealth. Of course, it is possible to argue that the difference between the poorest (West Virginia and Mississippi) and the richest (Connecticut) states is negligible (less than two times) compared with the difference between the poorest (Nigeria) and the richest (Switzerland) countries, which is nearly 200-fold. It may be that the range of economic differences within the United States is simply too small to observe its influence on the relationship between individualism and social capital. Another equally plausible explanation is that wealth modulates the relationship between individualism and social capital (or trust, more specifically) only up to a certain level of living standard, and after passing into a postmaterialistic era, the differences in GDP per capita become less important or irrelevant. The data, however, do not indicate that the relationship between individualism and social capital in poor countries is higher than in rich countries.

Although some details and possible exceptions require further analysis, the main finding seems to be robust enough to appear at different levels of analysis. Even after controlling for

other variables, in those societies where individualistic attitudes and practices dominate, there also tends to be more social capital. Individualists are more inclined toward civic engagement and political activity; they also spend more time with their friends and believe that most people are honest and can be trusted.

## NOTES

1. The survey covered the following types of organizations: labor unions, religious organizations, sports/recreation organizations, educational/cultural organizations, political parties, professional associations, social welfare organizations, youth groups, environmental organizations, health volunteer groups, community action groups, women's organizations, Third World development groups, animal rights groups, and peace movements.
2. The correlations between the IDV and the four measures of social capital were nearly the same as between the IC and the indices of social capital.
3. The index of GDP (1995) Northern Ireland was taken from the website of the Northern Ireland Statistics and Research Agency, [www.nisra.gov.uk/statistics/keystatistics.html](http://www.nisra.gov.uk/statistics/keystatistics.html). The values of GDP (1993) for East and West Germany were taken from the official NATO webpage, [www.nato.int/ccms/general/countrydb/germany.html](http://www.nato.int/ccms/general/countrydb/germany.html) (NATO, 2002).
4. Inglehart (1997) found a strong positive correlation between interpersonal trust and the number of years democratic institutions have functioned continuously in those societies.

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