

## **Social Capital and the Economic Empowerment of People of African Descent**

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Good afternoon, everyone! I wish to thank the organisers for inviting me to participate in this 32<sup>nd</sup> session of the United Nations Working Group of Experts on People of African Descent. Greetings to all distinguished delegates from the UN Member States, my fellow panellists, and attendees.

I am honoured to be here today contributing to the discussion on how we can promote economic empowerment among people of African descent. As an academic with keen interest in the intersection of economics, sociology and race, I am going to approach the topic before us from an angle that brings together the interaction of social and economic factors. Importantly, I will apply an academic lens to the discussion and draw on evidence from existing research to support my arguments and recommendations. My focus today is to present a case for how social capital can be a useful resource in promoting economic empowerment among people of African descent.

### **Historical context**

To begin with, let's give the discussion some historical context. I believe it would not be news to many of us gathered here, if not all of us, that historically (and still today), people of African descent have been marginalised, discriminated against and excluded from various opportunities for a multitude of reasons. While experiences have differed across neighbourhoods, communities, states and countries, one key contributing factor is systemic racism, which research has shown to be a significant barrier that hinders the ability of people of African descent to access resources and opportunities that would empower them socially and economically.

Despite this, some evidence has shown that where people of African descent have been proactive in mobilising or taking advantage of resources within their networks, they have created their own formal and informal institutions to promote human rights, as well as help and empower each other. Indeed, the work of Martin Luther King Jr. lends support to the role of social capital in promoting empowerment and human rights of people of African descent amid widespread systemic racism, opposition and discrimination. In the absence of social capital, the civil rights movement that King led would not have been successful. Notably, social capital allowed for the formation of a collective identity and shared purpose. Through the resources made available via strong social networks (including community organisations and churches), African Americans in the American South came together to develop a shared purpose that made apparent the collective identity needed to pursue the common cause of ending racial segregation and discrimination. Thus, in the case of Martin Luther King Jr. and the civil rights movement, as Wimberly (2013) puts it, "Social capital [enhanced] other forms of capital by bringing homogenous people together through either institutions or interpersonal relationships." Even more crucially, social capital was critical in building connection with allies

outside of the African American community and helped build trust, which was an essential element of social capital that united different groups and factions within the civil rights movement. Accordingly, extending Wimberly's argument, social capital not only brings homogenous people together, but more generally, it brings all kinds of (diverse) people together. For us gathered here, I believe that despite the heterogeneity in our skin colour, geography, education status or income levels, the idea of promoting economic empowerment among people of African descent is a shared vision and perhaps we all can be seen as the same people – “homogenous people”, as Wimberly puts it.

### **What is social capital?**

Social capital can be defined as resources that individuals take advantage of as members of a community or group. These resources have been defined as trust, support, civic participation, networks and norms of reciprocity, among others, and have been found to facilitate cooperation and coordination among individuals and groups within a society (Awaworyi Churchill & Farrell, 2020; Coleman, 1988; Putnam, 2000). In the case of the discussion at hand, a simple way to put the argument is: social capital is important for economic empowerment of people of African descent because it helps people access resources and opportunities that they would not otherwise have.

### **Where is the connection?**

From the historical case made citing Martin Luther King Jr. and the civil rights movement, social capital is critical in promoting economic empowerment in so many ways. Developing strong networks both within African communities and with allies means that social capital can provide access to information about *opportunities* and *resources* that can help people engage in empowering activities (Awaworyi Churchill, 2017).

***Opportunities relating to education:*** Education is critical for economic empowerment as it provides individuals with the knowledge and skills necessary to succeed in the modern economy. However, people of African descent often face significant barriers to accessing quality education for various reasons, including historical and contemporary discrimination, and more generally, ongoing systemic racism (Banaji et al., 2021). Resources drawn via strong social capital can help overcome these barriers, as access to networks and relevant resources can enhance educational opportunities for people of African descent (Franklin, 2002). Indeed, existing research has shown that social capital is positively associated with educational attainment among people of African descent including higher college attendance and graduation rate for students with higher levels of social capital (see, e.g., Mishra, 2020; Palmer & Gasman, 2008). Outside of the formal education system, social capital can help individuals to access educational resources that could promote mentorship, professional development, apprenticeship and training, among others.

A well-established body of research has emphasised the role of mentorship in empowering African American adolescents and, more generally, young people of African descent (see, e.g., Hall, 2015; Watson et al., 2015). However, a challenge has always been developing the ‘right’ mentorship programs. Strong social capital means that effective networks and collaborations

can be developed to help provide access to mentors and role models, who can provide support and guidance.

The role of historically Black colleges and universities (HBCUs) in promoting economic empowerment underscores the relevance of social capital in providing access to education opportunities for people of African descent. HBCUs have sought to strengthen social networks and provide educational opportunities that have empowered people of African descent in various ways – opportunities that would otherwise be unavailable to them. HBCUs have also demonstrated the role that social capital can play in promoting collective action and advocacy. Strengthening social capital can allow for resources that make it easier to leverage collective power to advocate for policies and practices that promote economic empowerment. This can include policies that address systemic racism and other barriers to economic empowerment.

***Job/employment opportunities and creation of new business:*** Providing the means for people of African descent to support themselves and their families through access to good employment is a critical factor that contributes to economic empowerment. Unfortunately, statistics from various national and state governments demonstrate significant disparities in access to employment by people of African descent. Even when opportunities are available, the racial difference in pay/wages between Blacks and other groups is significant. Similar to the opportunities that social capital presents for education, social capital can help overcome systemic barriers by providing individuals with access to networks and resources that can enhance their employment opportunities. The relationship between social capital, employment opportunities and job search success is well-established (Flap & Boxman, 2017; Lancee, 2016). The pay gap can also be minimised as people of African descent are likely to access higher-paying and more stable jobs if they draw on resources made available via established social capital. Importantly, the professional development and training opportunities made available via social capital can help enhance the skills of people of African descent with positive implications for job opportunities and wages.

Within social capital is the ability and power to start new businesses. The link between social capital and entrepreneurship is perhaps one of the most established ones in the entrepreneurship literature. Social capital provides individuals with access to information about business opportunities, access to capital, and other forms of entrepreneurial support (Awaworyi Churchill et al., 2023). Importantly, people of African descent are better able to understand each other and provide cultural-specific services that can lead to economic empowerment. Social capital makes it possible to better understand what is required and provides resources to ensure that niche markets are catered for.

An excellent example of how social capital can promote economic empowerment of people of African descent via entrepreneurial opportunities is the ‘Black Wall Street’, a Black business network that emerged in Tulsa, Oklahoma in the early 20th century. Although this Black network, built by a group of Black entrepreneurs and professionals, was attacked in the two-day-long white supremacist terrorist massacre, it was notably known as a thriving business district in the Greenwood neighbourhood of Tulsa. The network provided access to financial resources, business opportunities, and support networks that enabled entrepreneurs to build

wealth and gain economic power. The model has since seen contemporary success across many countries.

### **Conclusion and recommendations**

Beyond the role of social capital in promoting economic empowerment, it can be a very useful resource in promoting mental wellbeing. Many people of African descent are typically traumatised by their experience of discrimination and/or racism. Social capital can provide a sense of belonging and community that is critical for developing resilience. This sense of belonging encourages more engagement in activities that are likely to promote economic empowerment.

Despite all the evidence that points to the benefits of social capital, social capital is not readily available to people of African descent (Laplanche Carey, 2019). A key challenge is the existence of systemic barriers that limit access to resources and tend to diminish social capital or hinder its development. The key recommendations from this presentation suggest the need for a more purposeful approach to ensuring that people of African descent can take advantage of existing institutions to develop stronger formal and informal networks, and social capital, more broadly. Specifically, the following recommendations emerge:

- Support the development of Black business networks or similar initiatives across disadvantaged communities.
- Establish community mentorship schemes that ensure role models of African descent are readily available to provide support to young people.
- Develop community spaces that encourage interaction among people of African descent and help build relationships.
- Introduce community initiatives that encourage community involvement and provide opportunities for teamwork and collaboration.
- Foster information sharing and communication among people of African descent to promote a sense of belonging, trust and shared purpose.

Despite the heterogeneity in our skin colour and socioeconomic class, I believe we all have a role to play in promoting social capital and working together as a community with shared interests. I encourage us to work together to build a stronger and better community that is rid of systemic racism and addresses inequality in all forms.

Thank you.

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