



Missouri Economy Indicators

Social Capital in Friendship Connections

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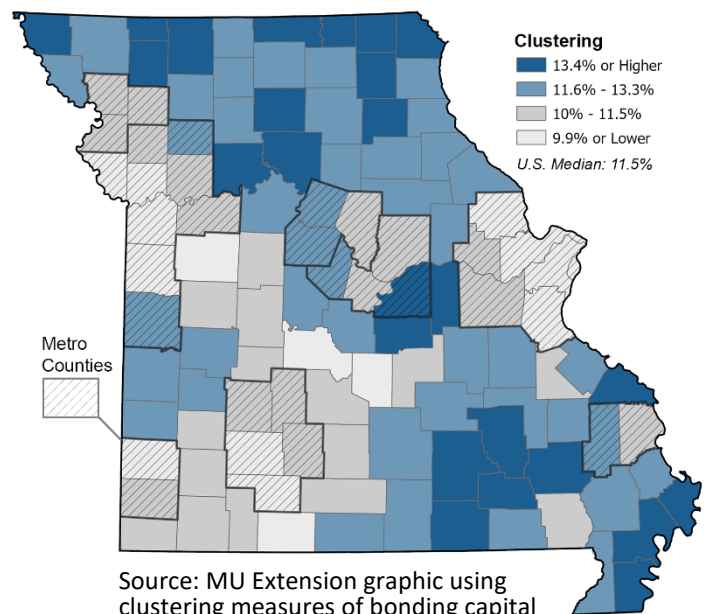
Social capital—the relationships between individuals—can create access to other forms of capital and support local economic development. Strong bonding ties, or the clustering of similar individuals, can create trust and foster teams to lead local initiatives. Strong bridging ties, which connect diverse individuals, can increase access to resources to complete projects. Though challenging to measure, social capital can be analyzed through innovative methods. A recent analysis of adult Facebook friendships offers insight into how individuals are connected across different communities and income levels.

Clustering Patterns Highlight Rural-Urban Differences in Missouri

Clustering refers to the degree of tightly knit social relationships, measured by how many of an individual's Facebook friends are also friends with each other. Counties in blue had more tightly clustered relationships than the U.S. median of 11.5% in 2022. Rural Scotland County ranked highest at 15.7%, while St. Louis City ranked the lowest at 8.1%. Nationally, an Alaskan county had the highest clustering measure of 26%, while Bronx County, New York, had the lowest at 7.2%.

Those living in urban areas – both in Missouri and across the U.S. – tend to have less clustered social networks. This reflects their tendency to form online friendships with individuals who are less likely to know one another.

Clustering Measures an Individual's Share of Common Friends



Bonding Social Capital Can Drive Locally Led Economic Development

Missouri counties with higher degrees of clustering, or bonding social capital, may be better positioned to launch locally led community and economic development projects as strong, trust-based networks can encourage collaboration and drive action. Observations of rural Iowa counties revealed that through regular conversations, local individuals with strong trust were able to launch economic development projects such as establishing an annual festival, saving a retail store and attracting a new business to the area. In competitive economic development landscapes, these trusted relationships made it easier to generate ideas and impacted access routes to funding, regulatory guidance and problem-solving support.

However, research has shown that tightly knit social networks can stifle change by enforcing social norms. If a tightly knit community has rigid expectations about leadership or innovation, entrepreneurial individuals or newcomers may face barriers that reduce their ability to gain buy-in or financial support.

Bridging Social Capital Can Unlock Access to Diverse Resources

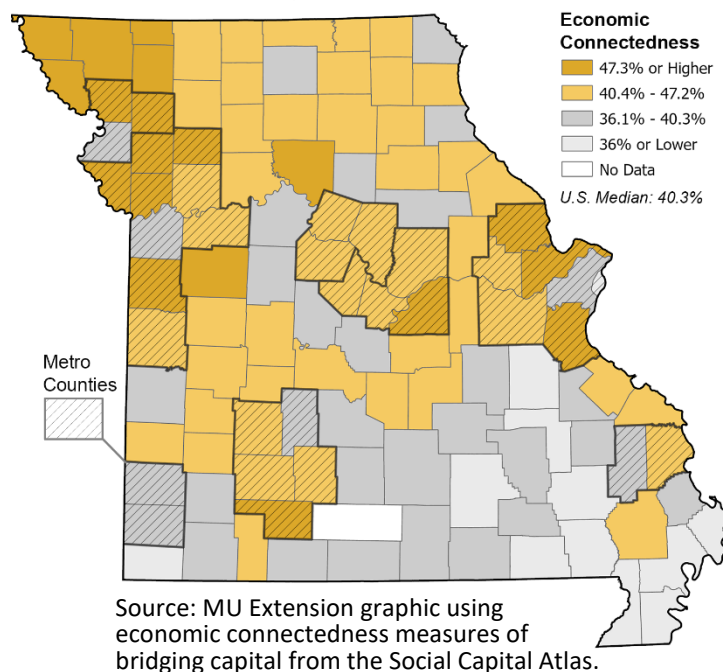
Bridging social capital, or economic connectedness, is measured by the share of high-income (above-median) friends among those with low incomes (below-median). In 2022, counties in yellow on the map below had higher economic connectedness than the U.S. median of 40.3%. In Missouri, urban St. Charles County ranked highest at 54.4%, indicating 54.4% of the friends of below-median income individuals were above-median income earners. In contrast, rural Pemiscot County ranked lowest at 29.2%. Nationally, Rockingham County in New Hampshire had the highest economic connectedness at 68%, while Todd County, South Dakota, recorded the lowest at 14.7%. Exposure to individuals with diverse incomes varies by location and the likelihood of meeting someone and becoming their Facebook friend.

For locally led development efforts, there are advantages to connecting with a diverse network of individuals within and beyond the local community. While local leaders in rural Iowa sourced knowledge and capital from their closest relationships first, they frequently needed to form new relationships to secure the expertise, political support or additional resources to finish a project. Forming new relationships takes time and not all new relationships will develop into collaborative partnerships. Research has shown that communities with strong cross-income relationships see stronger support for locally led economic development and greater upward mobility for residents.

Notes and Additional Resources

- **The Social Capital Atlas** describes the ideas of economic connectedness and cohesiveness through measurements of Facebook friends. While the analysis benefits from a large dataset, it only captures members on that platform, which can differ from in-person relationships that are harder to measure. Explore interactive maps and data on the Atlas website: <https://socialcapital.org/>
- MU Extension's **Engaged Neighbor Program** shares activities and resources to improve connectedness and social capital. Visit the website to learn more about Neighboring 101 classes and related resources: <https://extension.missouri.edu/programs/engaged-neighbor-program>
- Discover how Iowa leaders navigated their social networks to generate rural development in areas with varying levels of financial capital: <https://doi.org/10.1016/j.jrurstud.2024.103539>

Economic Connectedness Measures Friendship Across Incomes



All briefs in this indicators series and future updates will be available at <http://muext.us/MissouriEconomyIndicators>

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