

## Development of Village Based Potentials of Social Capital in Madiun District, East Java, Indonesia

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### Abstract

*Social capital as a potential development resource, if there is synergy between the interests of the villagers with the orientation of the target of village development. The lack of success in village development has been due to the lack of conformity with the needs of the villagers, due to the involvement of the villagers in the development process as a means of getting closer between the government and the villagers. The social capital of the villagers will result in a form of cooperation realized through mutual assistance and community awareness, and has been believed to be a strength and adhesive in the lives of village communities in the face of various village development issues. The problem is whether the potential of social capital has been synergized to be a force in supporting the implementation of village development. While the target in this research in 5 (five) sub-district of Madiun Regency and each sub-district determined 2 (two) village by purposive sampling. Data analysis used regression model through SPSS calculation.*

**Keyword:** Social Capital, Rural Development.

### INTRUDUCTION.

Rural development is aimed at improving the welfare and improving the living standard of the community, so the development orientation should be aimed at facilitating the villagers in promoting economic mobility for the increase of people's income. So the strategy of rural development must start from the effort to raise the village community to have the capability in facing the demands of fulfilling their life needs. The concept of community empowerment, now increasingly become the government's choice in order to accelerate the independence of rural communities. One development strategy is more focused on community development (Community Development) is a combination of community efforts themselves with government authorities to improve socio-economic conditions. However, the problem is the inability of the community to take advantage of its potential in facing the challenges and demands of social life development, consequently the community is powerless to face competition in the struggle for limited economic resources. Only a small proportion of the villagers have capabilities in the face of today's economic competition.

From some research from experts in various countries found that the community as an individual has the potential of social capital is very extraordinary that can didayagunakan effectively in improving productivity in the economic field. According to Bourdieu in Soetomo (2010), there are three kinds of capital, namely money capital, social capital, and cultural capital, which is effective when used in social relationships. Social capital can be utilized in all spheres of interest, such as in economic, social, political, but necessary support of physical resources and cultural knowledge is adequate, because without physical and cultural support will be easy for non-establishment of social relations. The availability of physical resources as a supporting component in the interaction, because each activity required physical facilities and infrastructure, such as vehicles, financial, and so forth. Likewise sustainability in social relationships needs to understand the culture of each individual, so that agreement in cooperation can be done consistently as it will grow and develop into mutual trust. James Coleman defines social capital as the structure of relationships between individuals that enable them to create new values. The potential of social capital is inherent in the structure of social relations, because social capital that will give birth to the form of cooperation between individuals in order to achieve shared wishes and expectations. In the context of a broader structure of social relations will produce new values in line with the complexity of the field of cooperation in the social relations. Coleman further asserted that the strength of social capital depends on social processes, if the social process leads to the destruction of kinship, such as divorce and separation, or migration, the potential of social capital is weakened by its strength. Conversely, the attitude that leads to the potential of togetherness in realizing the goal will be the potential energy of social capital. Fukuyama emphasizes the potential strength of social capital lies in the element of trust in social relations, which means that cooperation between individuals is initiated by the attitude of mutual trust between one another. If the trust is violated or disimpangi by one of them, then it can affect the potential strength of social capital.

From some of the above ideas, then the potential of social capital can be utilized for wider social interests, especially in encouraging the capabilities of society in various activities to support the increase in income and welfare. Therefore, the approach to village development should be oriented towards encouraging the growth and development of social capital potentials in rural communities, by facilitating community involvement in the formulation, establishment and implementation of development programs. Putnam formulates that social capital can strengthen the fabric of cooperation between individuals and / or between community groups through the

development of networks, norms, and beliefs. For that reason, in the village development strategy should be developed horizontal relationship pattern rather than vertical relationship between the position of government with the position of society. While the unsuccessful development of the village so far, one of them the community is only limited to implementing development programs that do not necessarily understand the direction of goals and targets to be achieved in the development. This condition, making the farther between the development program with the needs expected by the village community in general. But by developing a horizontal relationship concept can position the community to identify problems, formulate, and make decisions, and implement and manage the results of development. By providing access and opportunities to villagers to develop the potential of social capital in the implementation of village development programs. According to Robert Lawang (2004), social capital refers to all the forces of community social forces that are constructed by individuals or groups with reference to social structures which, according to their judgments, can achieve individual and / or group goals efficiently and effectively with other capital.

The concept of social capital lies in the power to build togetherness in social relationships, and maintain the continuity of social relationships, so that it can become a force in overcoming various obstacles in realizing the goals. Social capital or Social Capital can be a potential resource that can be invested in the survival of society. Social capital as a social resource that arises because of the interaction of individuals in a community, in the form of creation or maintaining trust among the people, can be the potential of individuals and communities to meet the needs of life and social. Social interaction can take place individually or institutionally. Individually, interactions occur in various forms of activities between one another which will result in cooperation in realizing the achievement of the goals. Institutionally, the interaction will result in agreement on the achievement of vision, mission, and organizational goals which become the basis of cooperation between institutions. Although interaction occurs for a variety of reasons, people interact, communicate and then collaborate essentially influenced by the desire to share ways of achieving common goals that are not uncommonly different from their own personal goals. This situation mainly occurs in the interaction that lasted relatively long. This kind of interaction creates social capital, the emotional bonds that unite people to achieve common goals, which then fosters the trust and security created by relatively long relationships. Like financial capital, such social capital can be seen as a source that can be used either for current production activities or processes, or to be invested in future activities.

The social capital of the villagers is a tremendous moral force if it can be utilized for the benefit of the village government. The social capital of the villagers has been formed in the gotong royong, as a form of cooperation between villagers in various community activities. Gotong royong has meaning as a form of awareness of villagers through participation in overcoming various problems of public interest (Martin Baru, et al, 2017). In this connection, for the government, especially the village government should strive to encourage, foster the potential of social capital in the community environment. With the growth of social capital can create community independence in facing various challenges and changes socially, economically, politically, and so forth. The potential of social capital is built on the basis of togetherness through the creation of networks, beliefs, shared values, and norms. Social capital grows and develops not only the commonalities of purpose and interests, but also because of freedom of expression and organization, sustainable relationships, and the maintenance of effective communication and dialogue. Governments through development policies should be designed to encourage and facilitate the growth and development of social capital potential, by strengthening social trust through: integration models and relationships within and outside government institutions. Decentralization of decision-making development programs should involve elements of the community, with the involvement of communities in the development process will bring the target and development goals closer to the needs of the community. The growing public confidence in government institutions will create a more effective development continuity, without any sense of suspicion and mutual trust will be the power of social capital as a potential development resource.

## LITERATURE REVIEW

The concept of social capital begins with the idea that the individual is unlikely to be able to overcome various problems in fulfilling his own life needs, so he must work with others to overcome various problems. This thought inspired a man named Lyda Judson Hanifan, in the early 20th century to introduce the concept of social capital in his article 'The Rural School Community Center', explaining that social capital is neither material nor money but something tangible and very important in social life, such as good will, friendliness, sympathy, and social relationships and close cooperation between individuals and families that form a social group.

Although it was introduced almost a century ago, it was not until academic interest in the late 1980s that a French sociologist named Pierre Bourdieu in his article entitled "The Forms of Capital" argued that: in understanding the structure and social functions it is necessary to understand the whole of capital of all its forms, not only limited to capital in the form of economy, but other capital or in economic theory called with non-

economic capital, because in every transaction will be followed by the existence of immaterial capital in the form of cultural capital and social capital. Bourdieu further explains the difference between economic capital, cultural capital and social capital. Economic capital can simply be understood as a money-shaped capital and can be institutionalized as a proprietary right, as well as cultural capital can be understood as a capital that has economic value in the form of educational qualifications, because with a certain level of education has a sale value in an institution for the ability possessed someone. Not much different from social capital also has economic value and can be institutionalized into a degree form because each individual will have different economic value on his degree because his scholarship is obtained from accredited and unaccredited college.

Departing from his thinking, then Pierre Bourdieu (1986: 249), defines social capital as a whole of both actual and potential resources associated with the ownership of a permanent institutional network of relationships based on mutual recognition and mutual recognition. In other words, being a member of a group of people will gain support from collectively owned capital. He goes on to say that the amount of social capital a member of a group depends on how far the quantity and quality of the network of relationships it can create, and how much volume of the economic, cultural and social capital that everyone in the network of relations (Rusydi Syahra, 2003). James Coleman (1988), with his research understanding social capital from aspects of social action, and its relationship to social and economic perspectives. From his research, Coleman explained that social capital has important aspect in realizing human capital. There are two elements of the function of social capital, among others: first, social capital includes a number of aspects of social structure, and secondly, social capital makes it easy for people to do something within the framework of the social structure. It emphasizes two aspects of the social structure that are essential in facilitating the creation and development of social capital in various forms. First, the aspect of the social structure that creates confinement in a social network that keeps each person in touch so that both obligations and sanctions can be imposed on everyone who belongs to that network. Second, the existence of social organization that can be used to achieve common goals (Rusydi Syahra, 2003). Furthermore, in the explanation of Rusydi Syahra (2003), Coleman identifies three main elements which are pillars of social capital. First, obligations and expectations arising from a sense of trust in the social environment. He took the example of a popular arisan system in society in many Southeast Asian countries, including Indonesia. An arisan system conducted by a group of people with friendships, neighbors or kinship relationships is a clear example of how important trust is. The second pillar of social capital according to Coleman is the importance of a smooth flow of information within the social structure to encourage the development of activities in society. The flow of information that is not smooth tends to cause people to be unaware or hesitant so do not dare to do something. The third pillar is the norms that must be obeyed with clear and effective sanctions. In the absence of a set of norms agreed upon and obeyed by all members of society then that emerges is an anomie situation where everyone tends to act according to his own will without feeling any ties with others. There is also no mechanism to impose sanctions because there is no mutually agreed norm regarding the sanctions.

Social capital as well as economic capital has the property to increase productivity, without the existence of one's social capital is unlikely to obtain material benefits and achieve other success optimally, when a person has a connectivity or relationship with officials or authorities it will benefit from the protection of officials. However, social capital may be detrimental if a person has different political attitudes and perceptions with such officials / authorities, as such a person will not receive any further protection from the authorities and will even get sanctioned in social relationships with networks linked to the official. From Coleman's thinking above, it becomes the basis for experts to further clarify the function of social capital in aspects of social life. One of them is Robert Putnam who has successfully popularized the concept of social capital well, by defining social capital as 'features of social organization, such as networks, norms, and trusts, that facilitate coordination and co-operation for mutual benefit' social, such as networks, norms, and beliefs that facilitate coordination and cooperation to gain mutual benefits. Social capital is a set of horizontal relationships between people in a social network or "networks of civic engagements" ie attachment in a social network because it is based on the existence of norms that will produce productivity in a group or community organization. Thus there are two basic assumptions of Putnam's social capital concept: the existence of a network of relationships with related norms, and they are mutually supportive in order to achieve economic success for the people included in the network. There are three important reasons for Putnam to say so. First, the existence of social networks allows for coordination and communication that can foster mutual trust among members of the community. Second, trust has a positive implication in social life. This is evidenced by the fact that the interrelationship of people who have mutual trust in a social network reinforces norms about the need to help each other. The three successes achieved through cooperation in the previous time in this network will encourage the continuity of cooperation at a later time (Rusydi Syahra, 2003).

In its development, the concept of social capital received widespread attention among academics from some of Fukuyama's (1995) writings, stating that social capital is a capability arising from trust in a community. Social capital is the ability of a person in building a social network in a community through the strength of the name

trust (trust). Trust is the value that underlies a person to strengthen his access in a social network, without a trust it is impossible for someone to gain access and more opportunities in a social network within the community. For that, trust has an important function in establishing a social network, trust work positive to maintain its continuity in a social network. Conversely, if a person has deviated from the values entrusted in a community, it will get difficulty in building social networks and get sanctions in the form of ostracized in a relationship within the community. Eva Cox (1995) explains that: social capital is a set of processes of interpersonal relationships sustained by networks, social norms and beliefs that enable efficient and effective coordination and cooperation for mutual benefit and virtue. Social capital can encourage the realization of efficiency and effectiveness in building cooperation in a network of social groups and community groups, through the elements of networks, norms, and social beliefs that support it. Or in other words, the process of social relations will work well, if supported by the network, norms, and social beliefs that can generate benefits for social groups and community groups. Social networks can point to the fact that a person always engages in social interaction and social action in order to fulfill his or her life needs, then one must cooperate with others in order to achieve the value of mutual benefit. Social networks can also be said as a person's ability, because not everyone has the ability to build social networks in people's lives, through social networks will make it easier for someone to realize his desires. And in social networks it takes the norms that become the basis of a person to perform an action, the norms are built on the basis of mutual agreement so that norms as well as the standard rules in doing togetherness actions. If the norms are violated or disregarded by one then cause instability or imbalance in the cooperation of a social network. And on the contrary the strength of cooperation is determined how far the norms of the agreement can be obeyed by all parties then the cooperation of a social network becomes stronger and it is possible to facilitate the realization of desire and hope in a social network. In addition, trust is also an important element also to build a social network, because at the beginning of cooperation is based on the mutual trust, if in its development it turns out there is one party that violates the belief will lead to a decrease in the desire for further cooperation, or even possible the cooperation will be dissolved or stopped and can not be continued.

In addition, the values or norms of the inseparable part in forming the capability of one's cooperation. The sustainability of the established cooperation depends on how far each party's obedience in upholding the agreed values or norms, the values or the norms become the basis for all parties to act on behalf of that cooperation, there are parties who violate or deviate from the values and norms will lead to lower trusts that ultimately lower the potential for further cooperation. Solow (1999) in Martin Baru, et al (2017) asserted by definition that: social capital as a set of values or norms embodied in behaviors that can foster the ability and capability to cooperate and coordinate to produce a major contribution to productivity sustainability . Social capital can be a positive potential in maintaining the continuity of social relations if built on trust in a community group, because it can facilitate coordination and simultaneously can encourage efficiency and effectiveness in community groups activities.

Social capital is a resource that can be viewed as an investment to obtain new resources that are useful to support individual efforts in meeting their needs. Different social capital with human capital (human capital), human capital is more indicated as individual potential that is the ability possessed by individuals. While social capital, more emphasis on the potential groups and patterns of relationships between individuals in a group and between groups, through the establishment of social networks, norms, values, and trust between individuals in social groups. According to Hasbullah (2006), that: social capital is also very close to other social terminology as it is known as social virtue. The difference between the two lies in the network dimension. Social virtue will be powerful and influential if it embodies a sense of attachment for mutual reciprocity in a form of social relationships. Social virtue will be the value of the power of the potential of social capital, because the preservation of values that lead to the realization of virtue will encourage the strength of togetherness among individuals within social groups.

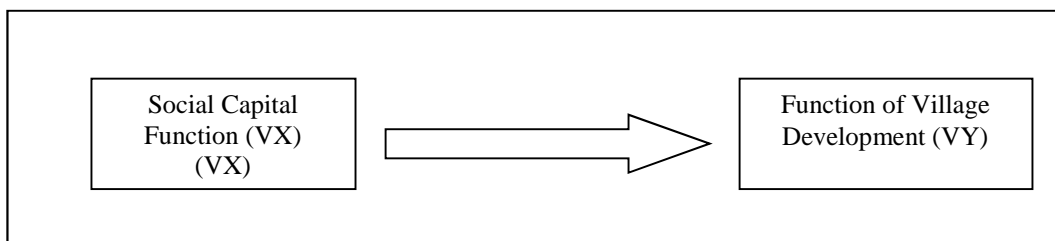
*H<sub>0</sub> = There is no relationship between the potential of social capital with the function of village development*

*H<sub>a</sub> = There is a relationship between the potential of social capital with the function of the implementation of village development*

While the orientation and direction of research can be described in the diagram as follows:

Picture. 1

Relationship of Potential of Social Capital with Function of Village Development



**RESEARCH METHODS**

Research location in 5 (three) sub-districts, Madiun District, East Java Province, and each sub-district is determined 2 (two) villages by purposive sampling. The subjects of the study were 100 people, and for each village 10 people were randomly assigned, consisting of village apparatus, BPD, LPMD, PKK, and villagers. While the technique of collecting data through the combined techniques are: Observation, Question List, and Documentation. Data analysis method using regression analysis model with processing through SPSS.

**RESULTS AND DISCUSSION**

**Test Correlation.**

To test the hypothesis is tested correlation between social capital variable (VX) as independent variable to the implementation of village development (VY) as dependent variable. The result of correlation test as the table below.

Table. 1  
 Correlation Test Result between social capital variable and village development implementation

		<b>Correlations</b>	
		Modalsosial	Pembangunan
Modalsosial	Pearson Correlation	1	.449**
	Sig. (2-tailed)		.000
	N	100	100
Pembangunan	Pearson Correlation	.449**	1
	Sig. (2-tailed)	.000	
	N	100	100

\*\* . Correlation is significant at the 0.01 level (2-tailed).

From the table above, the value of rhitung correlation between social capital variable with the variable of development of the village is 0.449 with pvalue = 0,000. When compared with the value  $\alpha = 0.05$  then it is known pvalue = (0,000) <  $\alpha$  (0.05). Thus, the hypothesis Ha accepted that there is a correlation between the function of social capital with the function of the implementation of village development.

**Regression Test**

The result of calculation of regression between social capital variable to the implementation of village development, can be seen table below.



Table. 2  
 Regression Test Result between social capital variable and the implementation of village development

Model	Unstandardized Coefficients		Standardized Coefficients	t	Sig.	Correlations		
	B	Std. Error	Beta			Zero-order	Partial	Part
	1 (Constant)	3.100	3.346				.926	.357
Modalsosial	.334	.067	.449	4.976	.000	.449	.449	.449

a. Dependent Variable: Pembangunan

From the regression equation ( $Y = a + bX$ ), it can be identified: (1) Constant value 3,100, indicating the function of the village development will be constant if the social capital function variable is equal to zero (no), assuming other factors remain or not changed its value. (2) Variable function of social capital which is value 0,334 (positive) indicate existence of influence of social capital function to function of administration of rural development. If social capital increased by 1 unit then the implementation of village development also increased by 3,100. Thus the function of social capital positively affect the function of the implementation of village development.

**Test of Determination.**

The coefficient of determination ( $R^2$ ) is used to measure how far the model capability in explaining the variation of the dependent variable (Ghozali, 2006). Coefficient of determination test results can be seen in the following table.

Table. 3  
 Determination Test Results between social capital variables and the implementation of village development

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.449 <sup>a</sup>	.202	.194	4.321

a. Predictors: (Constant), Modalsosial

The amount of Multiple Coefficient of Determination (R Square) is 0.202 or 20.2% which means the function of the implementation of village development can be explained by the variable function of social capital, while the remaining 79.80% is explained by other variables not described in this study.

**CONCLUSION.**

From the results of research findings, shows that social capital is a development resource that can be utilized to support the implementation of development. One of the factors to foster the social capital potential of the villagers is the synergy between the villagers' interest and the target orientation achieved in the village development. Therefore, it is necessary for the village government's commitment to provide opportunities and opportunities for the villagers to be actively involved in the stages of the village development process, starting from the identification phase of the problem, the compilation of development programs, and the implementation and utilization of development outcomes. With the involvement of the villagers, it can get closer between the interests of the village government and the interests of the villagers.

## CONFLICT OF INTEREST

There is no conflict of interest.

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