

Strengthening Social Capital: Role of Non-State Institutions in Highlands of Pakistan

Shoaib Nasir, Muhammad Luqman, and Muhammad Yaseen

Abstract—In combating against poverty, social capital plays an important role especially in countries where high degree of socio-economic inequalities exist. There is a dire need to develop strong linkages between non-profit organizations and other stakeholders at different levels in order to increase social capital of resource poor rural people. Pakistan is also included in the list of countries where weak social capital is being observed. In strengthening social capital non-state institutions are playing significant role especially in highlands of Pakistan. With this background the present research was designed to assess the role of non-state institutions in strengthening social capital. Data were collected from three different sites of District Mansehra of Hazara region of Pakistan. The results showed high social capital in site A, as compared to site B and C. Weak organizational linkages in terms of horizontal and vertical terms were found in all the three sites. It was found that people with low level of financial capital (generally referred to as poor) possess low level of social capital as compared to people with high and medium level of financial capital (generally referred to as better off and well off). It was observed that the efficiency of local traditional groups is significant than registered development oriented organizations. The rationale behind this understanding was due to their working within the framework of local culture and representation of actual and real needs of the community members. Volunteers also played an important role in building social capital especially for poor people by devoting a significant portion of their time.

Index Terms—Social linkages/interactions, financial capital, non-state actors.

I. INTRODUCTION

The construct of social capital is interdisciplinary in nature which mainly covers and deals with the behaviour of human beings on the basis of social interactions and relations [1]. Different social scientists describe social capital in different ways. The term “social capital” was introduced in mid 1980s by a renowned social scientist – “Pierre Bourdieu” while distinguishing social capital from others forms of capital i.e. cultural and economic. According to him social capital is the entirety of social contacts/resources possessed by an individual or group in the form of networks [2]. On the same lines, [3] argued that social capital is an arrangement of relations among and between the individuals of a society. Further he also

explained the working of social capital with respect to the durability of contacts and social links between and among the individuals. The nature of contacts may be “bridging” or “bonding”. Bridging denotes the relations between distant friends, classmates/colleagues and associates but on the other hand bonding represents relation between family members and friends who are very close [4].

In combating against poverty, social capital plays an important role as poor communities have weak inter and intra organizational networks and limited social ties. It also plays role in promoting access to resources especially by the resource poor or marginalized communities [5]. Some benefits of social capital were also described by [6]. He concluded that ‘improving access to occupational opportunities, improvement in social service delivery and collective action are some common benefits of social capital. In view of its significance it is necessary to strengthen social capital to enable poor people to deal in an efficient manner with livelihood vulnerabilities [7]. In those countries where there exists high degree of economic, social and political inequalities in the form of fragile social and human capital, empowerment of the poor and socially excluded mass of the society is the best way to participate in growth and development process thereby contributing peace building. As persistent poverty and inequality in such states are the major constraints in peace building process [8].

Research studies commented that there is link between poverty, inequality and conflicts. United States Agency for International Development (USAID) and many developmental practitioners strongly argued that inequality in a society is one of the most important causes of conflicts [9, 10]. The other dominant evidence is that sustainable economic growth is essential for poverty reduction [11]-[13]. With this evidence, it is clear that, the countries with slow or stagnant economic growth face problems of high poverty and inequality rate that lead to appearance of conflicts. In such circumstances, there is need to develop strong linkages between non-profit organizations and other stakeholders at different levels in order to improve social capital of resource poor rural people [14]. The other development practitioner [15] also describes the significance of community based organizations while addressing the notion of social capital. The same were also reported by [16].

In Pakistan, the situation of livelihood capitals is also not satisfactory similar to other developing countries where small landholders are in majority [17]. Due to low level of livelihood capitals by the rural people, poverty persists mostly in rural settings. According to the report of Food and Agriculture Organization (FAO) of United Nations (UN), approximately 55 million people are considered as poor in Pakistan [18]. With special reference to rain-fed areas, the

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situation of livelihood capital's entitlement is more worse compared to other regions [19]. The situation of social capital in this region is also not upto the mark. In order to empower rural community through social capital, besides state institutions, non-state institutions are playing active role [20]. These non-state institutions in the form of non-profit organizations or non-governmental organizations have linkages with other sister organizations and local groups. With this background the present research study was designed to assess the role of these non-state institutions in strengthening social capital in North-West region of Pakistan which is also referred to as Highlands of Pakistan. Following research questions were formulated keeping in mind the major objectives of the study:

1. What is the distribution of research area into different regions on the basis of social capital?
2. Why poor people have weak social capital or interaction?
3. Why social capital decreases with the increase of economic capital?
4. What is the role of volunteers in the development of social capital?

II. METHODOLOGY

Materials & Methods is one of the important steps while doing research. This refers to a systematic plan to search out answers of research questions. Nature of research study, method of selecting research area, sampling procedure, data collection instrument and data analysis are the major elements of materials and methods of a research.

A. Nature of Research Study

The present study is descriptive in nature. Cross-sectional survey research design was employed in this study keeping in mind the objectives of the study.

B. Research Area

The study was conducted in one of the provinces of Pakistan – Khyber Pakhtunkhwa. District Mansehra was selected through purposive sampling procedure as the targeted study area being most populous district of Hazara region [21].

C. Sampling Procedure

Due to the complex and interconnected nature of research study, two types of sampling procedures were used for selecting sample out of the population as:

- (A) Non-probability (purposive) sampling method was used for the selection of district out of total districts of the province
- (B) Probability (simple random sampling) method was used for the selection of respondents from the selected district

D. Data sources

Both primary and secondary data sources were used in this research study for obtaining meaningful results.

E. Data Collection /Research Instrument

Both qualitative and quantitative methods were used to collect data from respondents. Structured interview schedule was used for collecting quantitative data. On the contrary interview guides or notes were used for collecting

qualitative data as research instrument. Both the instruments were validated with the help of experts and reliability of the same was checked through SPSS.

F. Data analysis & Interpretation

The collected quantitative data was first coded in Micro-soft Excel and then analyzed using Statistical Package for Social Sciences (SPSS). The qualitative data were analyzed manually using content analysis technique.

III. RESULTS & DISCUSSION

A. Situation of Livelihood Capitals

According to DFID, livelihood capitals are divided into five categories in the livelihood framework as human capital, financial capital, social capital, physical capital and natural capital. The entitlement of each livelihood capital in the research area was assessed and presented in the following sections:

Human capitals: The human capital of respondents was assessed by their educational status and access to training facilities. The data regarding educational profile of respondents was collected and is presented in Table I:

TABLE I: EDUCATIONAL PROFILE OF RESPONDENTS

EDUCATION	Frequency	Percentage
Illiterate	60	13.3
Primary	105	23.3
Middle to Matric	224	49.8
Above Matric	61	13.6
Total	450	100

The data given in Table I regarding education as one of the components of human capital of respondents showed that about half (49.8%) of respondents had education upto ten years of schooling. In this age of development and technology, ten years of schooling is not sufficient for overall human development. The data also indicates that only 13.6% of respondents had education more than matriculation (10 years of schooling), and 13.3% of respondents were illiterate. According to UNECSO, educational for all is pre-requisite for national development. The data regarding component of human capital – receiving of training by the respondents is given in table II:

TABLE II: DATA REGARDING RECEIVING OF TRAINING

Receive any training	f	%
Yes	119	26.4
No	331	73.6
Total	450	100.0

The data tabulated above shows that a high majority (73.6%) of respondents didn't receive any training from public and private institutions. Only 26.4% of respondents receive training. This showed that in the research area people had low level of human capital which includes education and training. Due to low level of human capital, people had limited employment and skill based income generation opportunities, which lead to high level of poverty in the area. Low level of human capital is also responsible for low financial capital which in turn associated with low level of social capital.

Social Capital: The financial capital of respondents was

assessed with their income status. The data regarding monthly income of respondents during the year of data collection is given in Table III:

TABLE III: MONTHLY INCOME OF RESPONDENTS

Income (in Rs.)	Frequency	Percentage
Upto 20000 Per Month	207	46.0
20001 to 40,000 Per month	181	40.2
More than 40,000 Per month	62	13.8
Total	450	100

The data given in Table III shows that the monthly income of majority (46.0%) of respondents was Rs. 20,000. The monthly income of only 13.8% of respondents was more than 40,000 Rs. This indicates that the financial position of majority of the people in the research area was not so good. They had limited financial resources and capitals, which are not sufficient for healthy living. Low level of financial capital was one of the basic reasons behind low level of social capital as assessed during qualitative interviews with the respondents.

Access to micro-credit and other Social Safety Nets (SSNs)/financial institutions is also play role in assessing the level of financial capital of respondents in the research area. The data regarding access to micro-credit and other Social Safety Nets (SSNs) was assessed and presented in Table IV:

TABLE IV: ACCESS TO MICR-CREDIT AND SOCIAL SAFETY NETS (SSNs)

Access to micro-credit SSNs	Frequency	Percentage
Yes	44	9.8
No	406	90.2
Total	450	100.0

The data given in Table IV shows that only 9.8% of respondents had access to micro-credit services of different commercial banks, rural financial institutions or non-governmental organizations. An overwhelming majority (90.2%) of respondents had no access to different micro-credit services and social safety nets.

B. Level of Social Capital in the Research Area

The research area was divided into three different sites. The level of social capital as possessed by the respondents in their respective areas was measured by assessing their level of linkages and membership with any professional organization or local groups. The level was categorized as low (1), medium (2) and high (3). The data in this regard is given in Table V:

TABLE V: MEAN & SD REGARDING LEVEL OF SOCIAL CAPITAL IN DIFFERENT SITES

Sites	Mean	SD
Site A	1.98	0.655
Site B	1.78	0.561
Site C	1.34	0.522

Scale: 1=Low, 2= Medium, 3= High

The data given in Table V shows that in site A, the level of social capital was found to be high with high mean (1.98/3.00) followed by site B and site C with level of social capital 1.78/3.00 and 1.34/3.00, respectively.

The level of social capital was assessed by their linkages with local traditional/cultural groups, village

organizations/committees, national and international organizations. Five point scale (1 to 5) was used for the said purpose. The mean and SD of respective institution was calculated and given in Table VI:

TABLE VI: MEAN AND SD REGARDING LINKAGES OF COMMUNITY

Linkages with-----	Mean	SD
Local cultural groups	4.43	0.854
Village organizations	4.55	0.657
Village committees	3.94	0.707
Organizations working at national level	3.71	0.798
Organizations working at international level	2.83	1.056

(1= V. Low, 2= Low, 3= Medium, 4= High, 5= V. High)

The data given in Table VI shows that high level of linkages of community was found with village level organizations with highest mean (4.55/5.00) and SD (0.657). The mean of linkages of other institutions was 4.43/5.00 (with local cultural groups), 3.94/5.00 (village committees), 3.71/5.00 (national organizations) and 2.83/5.00 (international organizations). This shows that community members were mostly interested in developing linkages village level organizations and village level local cultural groups as compared to other national and international organizations working in the area. The reason was discussed with the community members. They explored that most of the people were interested to work and engage with development oriented activities of local based groups or committees as they knows better about the development issues of the community and they used to work within the framework of local and traditional culture.

Reasons for low level of social capital were assessed. The responses of community members were measured with the help of three point scale as 1 to 3. The mean and SD of three major reasons (Lack of time, lack of physical capital, and limited financial capital) on the basis of self-perception of people of research area is given in Table VII:

TABLE VII: PERCEIVED REASONS FOR LOW LEVEL OF SOCIAL CAPITAL

Reasons	Mean	SD
Lack of time	2.11	.687
Lack of physical capital	2.19	.692
Limited financial capital	2.17	.680

1= Disagree, 2= Undecided, 3= Agree

Among three basic reasons of low social capital in the research area, lack of physical capital in the form of land resources was on the top with high mean (2.19/3.00). This shows the importance of physical land by the rural people. Research studies conducted by different researchers like [22]-[24] and others indicates the importance of land resources in rural settings as in those areas, farming is the major activity for income earning. It was noted during data collection that in the area people had small land holdings, which is not sufficient to earn income for their entire family members [25]. Due to this reason they used to involve in other nonfarm, related activities. Due to limited land resources, people used to cultivate their land through traditional agricultural practices that lead to low agricultural /farm productivity. All these reasons lead to high poverty rate and also indicate the situation of food security in the area.

IV. CONCLUSIONS

It was concluded that in site A, high social capital was found as compared to site B and C. Weak organizational linkages in terms of horizontal and vertical terms was found in all the three sites of research area. It was found that people with low level of financial capital (generally referred to as poor) possess low level of social capital as compared to people with high and medium level of financial capital (generally referred to as better off and well off). It was reported that due to low level of financial resources and lack time poor people seldom possess linkages or interactions within the society. In mainstreaming such individuals of society non-state institutions played significant role as these institutions mostly targeted the poor and marginalized people. The respondents of study reported although both registered as well as non-registered local groups/ organizations are working in developing rural people by enhancing their participation in community development activities, but the efficiency of local traditional groups is significant than registered development oriented organizations. The rationale behind this understanding is that the local traditional groups are working within the framework of local culture reason by representing actual and real needs of community members. It was concluded that volunteers played very common role in building social capital especially for poor people. They devoted a significant portion of their time to serve people.

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