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**Social capital and Governance :
The Role of Intangible Factors in
Community Capacity Building**


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INTRODUCTION

- Rural development researchers and policy makers are facing this dilemma: some rural communities are winning and some others are losing... seeming trapped in the vicious circle of rural devitalization.
- Traditional and classical factors of development as natural resources availability and localisation do not explain completely the development which must be seen as a process of **community capacity building**.
- So, we need to study the role of intangible factors of development as various “ capacities ” to develop generate by the community itself, like social capital, an asset but also an output or a immaterial social production.



Old fashion way of doing local development: the weight of structural factors

- **Availability of natural resources**
- **favorable location**
- **major investment (coming from outside)**
- **role of local agents of development: attract thoses bigs enterprises coming from outside**



The new way to do local development: the strength of intangible factors

- **entrepreneurship**
- **innovative milieu**
- **social learning**
- **place-based development**
- **capacity building**
- **new governance**
- **social capital**

GOVERNANCE AND SOCIAL CAPITAL: What is it?

- The governance refer to the capacity of a local community to take decision (involving the partnership of the three major forces of a place: public, private, volunteer as civil society) to improve the public goods or the general interest (planning the social, economics and environmental future) for the benefit of individual, families, enterprises and various social groups. This capacity of collective action refer not only to local political institutions and government but also to what we call "governance". The news institutional arrangements, or social innovations, are the concrete manifestations of the new rural governance.
- Social capital, a specific form of « capital » refer to a « capacity » or an attribute of a community where mutual thrust and various social relations and networking are running in manner that it help innovation and risk taking, as well internal social cohesion, so it is usefull for the economic development

Participation of in organizations according the dynamism of the community

Participation in organizations	Leading or lagging status		Average
	leading	lagging	
Yes	62.6%	56.1%	59.0%
No	37.4%	43.9%	41.0%
Total	100.0%	100.0%	100.0%

Avec un $\chi^2 = 8.45$ et $\alpha = 0.004$ pour N=1995
Source : enquête NRE, 2001

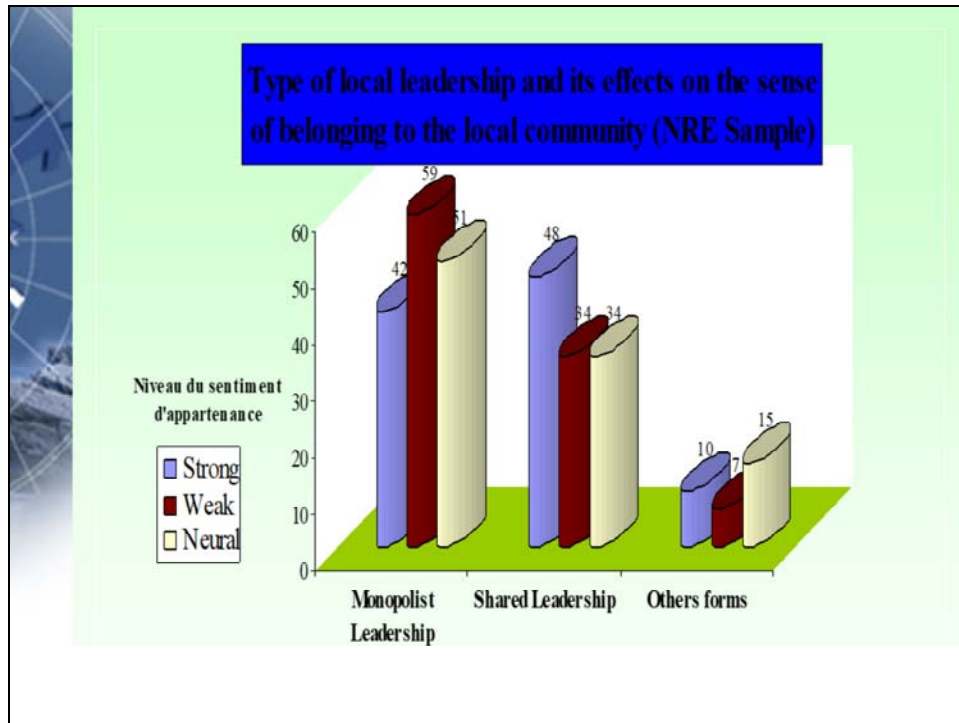
The participation of local citizens to various local organizations is a factor an efficient local governance. Data shows that this participation vary significantly between lagging and leading communities, suggesting that those later one have a better governance

Appreciation of the efficiency of various actors of the local governance (private, public, voluntary sector)

Type of sectoral actors	efficient	Non-efficient	No opinion	Total
Mayor	55,6%	12,5%	31,9%	100,0%
Municipal counsellors	53,4%	12,5 %	34,0%	100,0%
Local entrepreneurs/businessman	67,4%	6,5%	26,1%	100,0%
Local politicians	42,5%	18,0%	39,5%	100,0%
Federal politicians	32,0%	20,9%	47,1%	100,0%
Volunteer organizations	86,0%	2,1%	12,0%	100,0%

Data shows:

- 1) Actors from voluntary sector are largely appreciate. Possible explanation: they probably have a basic role in providing services to local people.
- 2) Local entrepreneurs arrive quite high. Possible explanation: they create jobs locally, socially visible, people are linked to them by kinship relations.
- 3) Public sectors representatives away from the local scene are not judge so much efficient.



Sentiment d'appartenance faible :

* 59 % dans un système de direction monopolisé par une personne ou par un petit groupe de personnes.

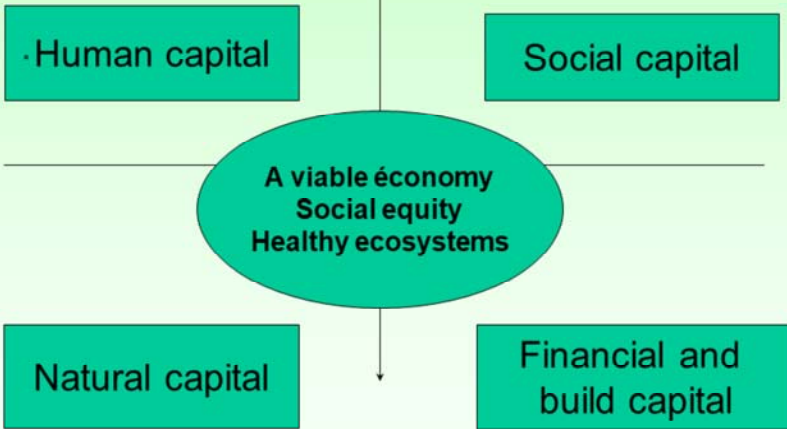
* 34 % lorsqu'il s'agit d'un leadership de style partagé par un grand nombre de gens.

Plus on est dans un système de commandement démocratique (partagé) plus il y a un sentiment de forte appartenance à la communauté.

Conclusion

Le style de leadership local joue éventuellement un rôle important dans la confiance des gens en leur milieu. Cela devrait avoir un impact sur la mobilisation de la population et par ricochet sur la gouvernance dans le milieu concerné.

The forms of social capital in a community (Flora & Flora)





Social Capital: a factor of rural communities development and sustainability


Social capital refer to various “capacities” related to the social vitality and the economic viability of any rural community.

- ✚ the degree of openness of the community to different opinions and behaviors ,**
- ✚ the capacity to mobilize resources for activities in the community,**
- ✚ the capacity to work together, and**
- ✚ the capacity to establish networks and efficient ties with outside groups as governments in order to obtain various advantages.**



Social capital: improving capacity of initiative of the community, capacity of doing and adapting

- ✦ **How?**
- ✦ **In building a shared vision (of local identity and of the directions of local development plan)**
- ✦ **In building development first on our own resources**
- ✦ **In searching alternative ways to deal with constant changes**
- ✦ **In removing the victim mentality**



Basic dimensions of “ social capital ” measured according lagging/leading communities

(NRE Survey with 200 formal and informal leaders, Summer 2000 in 20 communities)

Opinions expressed (very good and good) :

	Leading	Lagging
• Open to opinion of « different » people	70%	49%
• Ability to mobilize resources	92%	77%
• Willingness to work together	93%	62%
• Ability to capture help for governments	55%	45%

Measurement of Social Capital (First dimension of Flora & Flora Model) according the dynamism (lagging – leading) of the Rural Communities (CRRF – NRE Rural Observatory Household Survey, 2001)

Dimension of Social Capital	Leading community	Lagging community	Overall
□ 1) Indicators of symbolic diversity			
– Openess to different values and ideas	43%	35%	39%
– Openess to newcomers	87%	75%	80%
– Openess to people from others races or ethnics group	67%	62%	65%
– Our community offers opportunities for the	69%	46%	56%
– Our community offers opportunities for the women	79%	67%	72%


**Measurement of Social Capital (Second dimension of Flora & Flora)
according the dynamism (lagging – leading) of the Rural Communities
(CRRF – NRE Rural Observatory Household Survey, 2001)**

Dimension of Social Capital	Leading Community	Lagging Community	Overall
Indicators of capacities of investment - reinvestment			
Ability to contribute with time and money	89%	69%	73%
Ability to work together for the benefit of the community	87%	62%	71%
Express a personal capacity to do volunteer work with others members of the community	87%	80%	83%
Express a strong attachment to community where the respondent live	86%	70%	77%

**Measurement of Social Capital (Third dimension of Flora & Flora)
according the dynamism (lagging – leading) of the Rural Communities
(CRRF – NRE Rural Observatory Household Survey, 2001)**


Dimension of Social Capital	Leading Community	Lagging Community	Overall
Indicators of the quality of the social ties and networks			
Express a strong sense of the community*	84%	71%	77%
Our community is waiting advantages from outside sources	48%	55%	52%
Ability to get help from provincial government	42%	36%	40%
Ability to get help from federal government	30%	31%	31%

** this indicator give an appreciation of the quality of the internal social ties (bounding)of the community with differ with the quality of external ties (bridging); thoses latest networks are more important for the success of local development according Flora and Flora model.*



Discussions on the findings

- **Social capital and governance vary according type of communities (leading or lagging)**
- **A rich social capital and a good governance, more favorable to economic development seems to be more present in “leading” rural communities, and in the lagging communities, the level of social capital is significantly lower.**
- **This research seems to confirm the hypothesis of the structuring and determining effect of the intangible factors of local development like social capital and in the development of rural communities with a retro-action process in which it became an input or a factor of development itself.**



Discussion on the findings

- Instead of seeing a linear relation as: **SOCIAL CAPITAL=> SOCIAL CAPACITIES => SOCIAL COHESION**, we must see social cohesion as, at the same time, a social production, a result or an output and as an input, as a factor from what local development views as a community capacity building process is the consequence.
- We need to test if capital social is linked to new forms of local governance: more the capital social is high more we will experience a schift from a fonctionnal to a more citizen-based governance.
- Data from the NRE household survey show that rural people express an ambivalent representation where social cohesion is viewed as a strengh but also as a weakness (the dark side of the force)

Functional or utilitarian local governance	Citizenship-based local governance
<ul style="list-style-type: none"> ■ local residents are consumers and tax-payers ■ local government deliver "services" to theirs resident view as customers ■ residents have individual rights ■ a pragmatic organization ■ efficiency is based on the market-driven model (ratio cost/benefits for various economics units...) ■ solution to fiscal constraints: local amalgamation of small rural communities or : contracting out, user fees for an efficient consumption of a service, etc... 	<ul style="list-style-type: none"> ■ local residents are citizens ■ municipal government is an institution entitled with the role of representation of the community (or civil society) ■ residents have collective responsibilities ■ a democratic institution ■ efficiency is based on social or ethical assessment of the vitality of the community able to build ist capacities for a sustainable development ■ solution to fiscal constraints: partnership between small communities to share services delivery, or creation of special-purpose bodies and use of intermunicipal agreements

Model proposed by Bruno JEAN



Final remarks

- Every local community can run with success a process of development
- local development rest more upon a «collective will» than some comparatives advantages
- the community must learn how to develop its own « capacities to develop » (capacity building)
- but the local people must do not skip the first step: building a consciousness about the local situation (make the diagnostic and planning an appropriate strategy for a shared development)

Final remarks

- Those rural communities that seems able to deal with various stress and continuous change and able to find their way toward a successful local development achieving a shared vision of the future, seems also those communities where a new rural governance have taken place.
- Such communities have usually been very innovative in finding original or innovative solutions to face various problems.
- need to move from a classical standing point in the academic community where rural people and place are viewed as traditional, passive, not creative to a new standing point where we know that we can learn from the rural experience.