

Chapter IX

Conclusions and recommendations

This chapter summarizes the findings of the study; recommend policy implications and future research issues in relation to social capital measurement, its dynamics and role in agriculture and community development programs. This study was conducted to understand the role of social capital in varying performance of vegetable production program in twenty different sites in Western Nepal. Social capital endowment measured in its six dimensions varies among different sites and socio economic groups in communities. Social capital endowment at the household and community level is found significantly contributing in performance of the program at household and site level.

9.1 Conclusion

9.1.1 Social capital status

The overall farm households and communities in Western Nepal are rich in inherent social capital stock accumulated through informal social interactions and interrelations. The poor households are found lower in social capital endowment however the gap is narrow. The farm households and communities are richer in collective action, cooperation, and social norms in comparison to networks, proactivity, reciprocity and trust endowment. The communities are cohesive to combat the local livelihood problems. Bonding networks based on caste and kinship and associated thick trust is comparatively higher than bridging and linking networks and thin trust in the communities.

Further more the level of trust in extended radius is lower than traditional radius. The civic and leadership proactivity is found poor as compared to other expressions of social capital. The poor civic and leadership proactivity is unable to transform the existing social capital in human and physical capital to produce visible community development initiatives in the communities.

9.1.2 Variation in social capital endowment

There is a large variation in social capital endowment among the households and communities in study area. The social caste has important bearing on social capital endowment at household level. The socially elite caste categories like *Chettris*, *Bhramin* and *Baisaya* are rich in social capital and professional caste category, *Sudra* is found poor in this respect. Socio economic characteristics like land holding size, gross annual income and literacy rate positively contributes to social capital endowment of the farm households. Outside these factors size of family clan, inherited cognitive factors by caste and family role in traditional feudal social/political system have possible contribution in social capital endowment at household level. The market vicinity, availability of transportation and communication facilities does not show any clear trend regarding social capital endowment at community level. The average annual household income positively contributes in social capital endowment in the community. The composition of the community, power relation among the actors, social and economic development status, resource endowment and historical background of the community contribute in community level social capital endowment.

9.1.3 Role of social capital in vegetable program performance

Social capital endowment both at the household and community level significantly contributes in performance of vegetable production program. The different expressions of social capital contribute both positively and negatively in agriculture extensions programs. The social capital expressed in the form of thick trust and bonding networks produces inertia for change in traditional farming system

by the households but once this inertia is broken these attributes accelerate the change. The thick trust produces dependability and over loyalty among actors and undermines individual initiatives for change. Other expressions of social capital like collectivity, reciprocity, thin trust, trust to government officials and traders have positive contribution in adoption of new farm enterprise (vegetable farming) by the farm households. Regarding economic performance of the vegetable production program social capital does not show any significant direct relationship however there is indirect relationship social capital and income index of vegetable farming as the income index and adoption index has positive significant correlation. At the community level social capital significantly contributes in performance of vegetable production program or other similar community development programs by promoting participation, equity and adoption of recommended practices by the development actors. In case of vegetable production program, communities with high level of social capital are found performing better than other communities with lower level of social capital endowment. Conclusively commercial vegetable farming is a business enterprise which is shift from the traditional subsistence farming and needs wider knowledge, linkage, information and analytical skill for success and to reach this end social capital plays important role.

9.1.4 Social capital trend

The overall social capital stock in farming communities is found declining due to many social, economic, professional, political, and natural resource related interactive factors operating in the communities. It is found that certain aspect of networks and social norms are improving with time but such positive changes are shaded by the larger negative changes. The highest decline is found in reciprocity and trust during the last thirty years period. Proactivity, networks and social norms are also declined sharply in communities. The networks and social norms outside the traditional setup like professional networks, interest groups, and new good norms regarding women and socially excluded caste categories are being established in communities. These changes show the array of hope for the improvement in social capital in the communities when supported with favorable policy framework.

9.2 Discussion

In this study, it was hypothesized that social capital endowment at household and community level contributes in varying performance of vegetable production program in different sites in western Nepal. In first step of the study social capital was measured in its six expressions: network, trust, collective action and cooperation, social norms, reciprocity and proactivity by household level questionnaire survey. Many contextual studies except some extensive social capital studies (Bullin and Onyx 1997, Putnam 1995, Grootaert, (2001) used only few measures as a proxy of social capital (Chapter II) but this study has covered six dimensions of social capital. These dimensions were weighted using AHP technique to make a combined index of social capital, which is not common in existing social capital literatures. The calculated index of social capital showed that social capital is high in farming communities. The general trust level that is found 0.61 in index value shows better status of general trust level in farming communities. In world value survey most of the countries the general trust level is found less than 0.60 only Norway had at 0.65 score. This shows the general trust level in farming communities is good enough.

There is marginal variation in social capital endowment among different socio-economic categories which shows social capital is more equally distributed among the community households than other resources (land and income). This finding is consistent with Grootaert 2001 as he mentioned social capital in Bolivia is more equally distributed among the household than other assets. Here it cannot be generalized that households are equal in all dimensions of social capital. The socio economic characteristics like literacy rate, annual gross household income has a positive relationship with social capital endowment at household level. This implies poverty has negative relationship with social capital endowment however it is difficult to establish causes and affects. The socially disadvantaged caste category *Sudra* is found poor in social capital among other caste categories.

Social capital in sum has positive contribution in performance of vegetable production program, which is similar to participatory community development

program and directed to change the traditional subsistence farming system to commercial vegetable farming. The micro constituents of social capital like interpersonal trust and bonding networks has negative relationship with adoption of vegetable farming. The reciprocity of labor among the households also has negative relation with adoption of vegetable farming by the households. The high level of bonding networks, interpersonal trust and reciprocity of labor among the households makes the households more dependent on environment and create inertia for change. Adler and Kwon (2000) presented similar thoughts: strong solidarity among group members reduces the flow of new ideas into the groups and restricting the change. When the household in the village know each other very well and there is high level of social control, which restricts the individual freedom to accept the change. The other expression of social capital like the level of general cooperation among the households and level of general ethical norms promote the adoption of vegetable farming (any new innovations) by the farm households.

The communities with high level of social capital participate more in the agricultural extension programs (vegetable production program) promote wider adoption of new practices. In such case, it is easy to create dynamic farmer's institutions (farmer groups) and produce significant changes within short period of time if provided with proper leadership. When the community households participate in the program they can monitor the program activities and direct them for better outcomes. Narayan (2002) claimed that social capital enables people collectively to participate in effective local decision making, better monitor government agencies and lobby for improved services. Social capital promotes peoples participation in different community development activities (Krishna *et al.* (1999): participation of people in watershed management, Hasio *et al.* (2005): farmers participation in community health insurance program, Agrawal and Gupta (2005): peoples' participation in decentralized environmental management program). Finally social capital endowment promotes the gender equity and reduces other forms of disparities in the development programs.

Social capital in farming communities is found declining which shows traditional form of trust, reciprocity, collective action, cooperation and ethical norms are being eroding due to many interactive factors. Pradhan (2002) also found social capital is declining under centralized management policy in farmer managed irrigation system in Nepal.

9.3 Policy implication of social capital

9.3.1 Measurement of social capital

The interest and importance of overarching concept of social capital among all academic spheres and development agencies in the context of poverty reduction, economic development, social justice, and creation of knowledge based participatory civic society, good governance and sustainable natural resource management is growing exponentially in recent years. This shows an immediate need to measure and monitor it at different level with agreed procedures. The first step toward this end is the development of national level social capital measurement policy and agreed tool box for measuring and monitoring social capital at different levels. How the social capital with what measurement tools can be measured at particular context from household level to national level is to be answered at policy level. Once the social capital is measured, then social capital component can be incorporated in different programs from local to national level. The lack of national level policy and guideline to measure social capital may lead ambiguity among the planners and policy makers to use this concept in program design and implementation. This study has used very simple criteria to measure the social capital, which might not be useful for its measurement in other contexts and scale. In context of Nepal, social capital related studies are rare however the concept of groups and networks is widely used in all spheres of development interventions by both public and private sector.

In this study, the inherent stock of social capital in farming communities is found declining. The decline in social capital stock in farming communities has many implications in rural livelihood framework. Thus monitoring social capital trends with agreed tools is important to understand ongoing and future social, political and

economic changes in communities and at the national level. The conducive environment backed with supportive policy tool is needed to create a new form of social capital like interest groups, professional groups, users groups and so on while traditional form of social capital is declining. The lack of clear and supportive state policy to backup such initiatives, the activities to catalyze creation of new form of social capital by different agencies may be ephemeral.

9.3.2 Utilization of social capital in development programs

The use of social capital concept is mainstream development strategy in all disciplines like health, education, natural resource management, poverty reduction, governance and others and in many cases it has produced sustainable, efficient and appreciable outcomes.

In this study, social capital is found significantly contributing in performance of vegetable production program so maximum use of available social capital stock is one way to achieve sustainable agriculture development outcomes. The communities and households are found rich in networks, trust, collectivity, reciprocity, ethical norms, and these attributes can help to foster the agriculture and community development in farming communities when supported with proper policy and program implementation mechanism. In most of the cases in rural communities, social capital is latent and or idle due to poor leadership proactivity and its utilization mechanism in development activities. The latent social capital stock should be mobilized by development agencies through suitable program implementation mechanism. Some time where there is rich stock of social capital in latent form, if not used by development agencies might be misused by social agitators to create social and political conflicts in communities so policy and program are needed to use the inherent stock of social capital for creative and productive purposes.

In Nepal, there are many successful example of using inherent social capital stock available in communities like community forestry, microfinance, irrigation and watershed management. The user's group concept used in these programs itself is a social capital creating activity. The thorough understanding of local level social

capital expressions and social structure is important while utilizing the social capital concept for agriculture development programs. Sometimes programs designed to utilize and create social capital undermine traditional social capital stock and promote social cleavage and conflicts in the communities.

9.3.3 Program design and implementation

Social capital is supposed to be the critical resource for the farming communities after the natural resources and if deteriorated below certain critical level makes the livelihood system more vulnerable. In this context both social capital utilizing and creating programs are needed in different context of agriculture and community development initiatives. Social capital creating program are more important in areas like in townships where traditional form of social capital is eroded and in country side where there is traditional social capital is enough, programs are needed to utilize it. The knowledge of social capital endowment among different socio economic strata and groups at different level provides basis to identify program implementation strategy in the context of social capital utilization and creation.

In this study poor households (small landholders, low income and disadvantaged caste *Sudra*) are found lower in social capital endowment so poverty alleviation through agriculture development programs should focus on the social capital creation for the poor people and their leadership development. Both vertical and horizontal networks should be enhanced to create symbiosis and synergy across all form of disparities. Crafting homogenous organizations or networks some time create social cleavage but it should be context specific. The users group approach is widely used strategy and tool to create and exploit existing social capital but not all groups in all contexts produce fruitful results. The variety of competitive groups in the communities may undermine social capital rather its creation. Sometimes, groups are utilized by local elites for their particular interest in such case careful design and implementation group approach is of vital importance to create new social capital.

It is recommended that social capital should be included in the feasibility study of the agriculture development programs to know the possible level of

community participation in the program. It will also help in monitoring of social capital before and after the implementation of project activities. Social capital monitoring should be included as a mandatory part in community development projects.

9.4 Recommendation for further research

Social capital being a newly established multidimensional abstract concept leaves vast array of researchable questions. The measurement, formation and erosion of its stock, conditional expressions and their contribution in different aspect of human livelihood and wellbeing are to be explored in detail to make this concept more practical and applicable. Specifically based on this study the future research in context of social capital should address following issues.

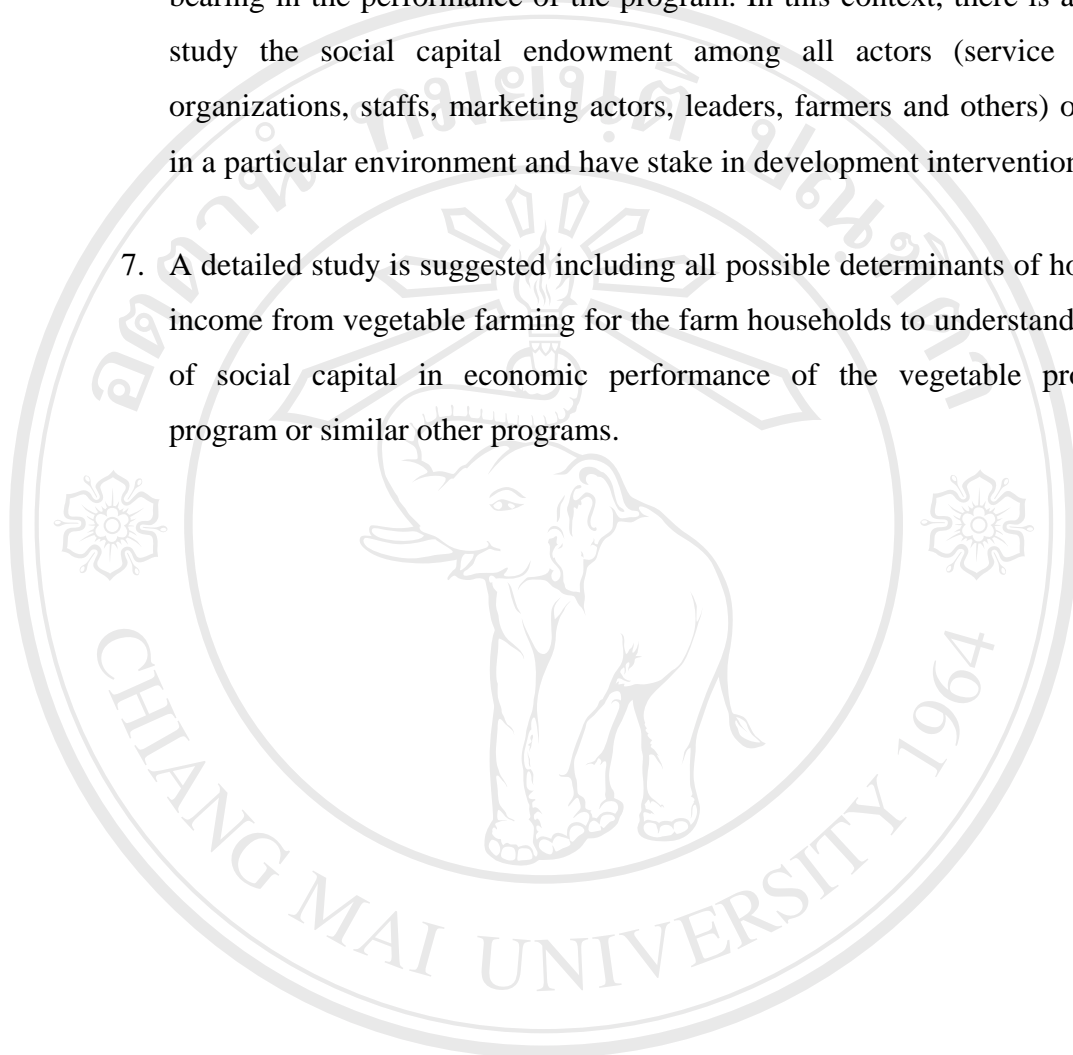
1. This study measured social capital endowment at household level and summed it to determine community level social capital stock, which is not cost effective method to measure the social capital at higher hierarchies. Like the sustainability concept, social capital has different hierarchies (household, community, regional and national level) that can be measured with different emergent properties or varying expressions at different level. The identification and validation of such emergent properties (proxy measures) of social capital at different hierarchies for its measurement in a particular context is important area to be explored in depth.
2. The social capital in farming communities is found declining and detailed study is needed to find the factors behind such a decline. The research should cover the impact of the changes in demographic, political, market, economic, infrastructure and other development frontiers on the traditional social capital stock available in the communities.
3. This study has found that social capital expressed in the form of thick and thin trust, level of trust in extended and traditional radius, status of bonding,

bridging and linking networks have different role in performance of agriculture development programs. The detailed study about the role of different forms of trust and networks and their operational mechanism in the performance of agriculture and community development programs is needed. Most important area to be studied is to find out the ways of overcoming negative effect of thick trust and bonding networks in the context of agriculture/community development interventions which is important for the development workers and policy makers.

4. The community group approach is widely used for participatory people centered development in recent years. Such groups are intended to enhance social capital in the communities and households. The research is needed to determine the extent to which the present group approach is enriching social capital stock in the communities. In other hand, such efforts might be undermining the traditional endowment of social capital in communities.
5. It is important to study the level of social capital existing in the communities to initiate participatory community development activities. In many cases, participatory development objectives are dismissed due to poor participation of the community and poor social capital endowment among the actors. The participatory approach may be new tyranny (not opportunity) for the people where there is poor social capital endowment. Such study should focus on the basic level of social capital endowment required for participatory development and social capital creating programs and activities needed to increase social capital endowment where it is poor to initiate participatory development in particular context. This will provide insights in the success and failure of participatory processes in agriculture and community development.
6. This study has covered social capital in the communities (recipient part) which is not enough to understand all aspects of agriculture and community development program performance from social capital perspective. The development projects like vegetable production program have a number of

actors (service delivery organizations, staffs, marketing actors, leaders, farmers and others), social capital among all these actors have important bearing in the performance of the program. In this context, there is a need to study the social capital endowment among all actors (service delivery organizations, staffs, marketing actors, leaders, farmers and others) operating in a particular environment and have stake in development interventions.

7. A detailed study is suggested including all possible determinants of household income from vegetable farming for the farm households to understand the role of social capital in economic performance of the vegetable production program or similar other programs.



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