

# Social Capital and Poverty in Indonesia



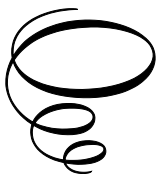
# Social Capital and Poverty in Indonesia

By

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## FOREWORD

Praise and gratitude to the presence of Allah SWT because of His mercy, this book can be completed properly. Although many books have described social capital, not many books link social capital with poverty. In addition, this title has not been found in the bookstore. Therefore, this book is expected to fulfill the curiosity and need of readers for information that presents the relationship between social capital and poverty. Social capital contributes to reducing poverty, or at least by developing aspects and elements of social capital that can facilitate community and government actions in mitigating poverty.

Various studies showed that social capital could facilitate collective action to reduce poverty in a region if appropriately used. On a micro-scale, social capital increased household incomes for marginalized groups who lack access to economic resources. In addition to commitment, government policies that favor disadvantaged community groups and community participation can be further increased to maximize fuel for sustainable development efforts. Then, the results can be enjoyed by all levels of society, especially people from the economically weak.

This book has been in preparation since 2017, but due to the author's busy schedule or rather the author's laziness, it was not ready for the readership. This book has now been completed with the support, assistance, and attention of all parties, especially the leaders of UNNES, faculties, and departments. Therefore, on this happy occasion, I would like to express my deepest gratitude while hoping that there will be suggestions and criticism of the contents of this book for future improvement.

Semarang, February 2022



# CHAPTER ONE

## INTRODUCTION

Development is a process of change in a better direction, and the goal is none other than to create welfare and happiness for all strata of society (Smith, 1994; Midgley, 1999; Dostal, 2010; Mas'udi & Hanif, 2011). Development is also seen as having a sustainable value of life that does not reduce the community's welfare (Hamilton & Atkinson, 2006). Therefore, the development target is prioritized for disadvantaged social groups, such as farmers, fishermen, small traders, and laborers. However, it does not mean that those who own assets and wealth are excluded from the development process.

Society is not an object of development but its subject (Suryono, 2001). It must be involved in the development activities from the start, including planning, implementing, monitoring, evaluating, and enjoying the results. There must be a guarantee that not a single citizen is not involved (Sibanda, 2011; Waheduzzaman, 2010).

The above scenario does not appear to be working as expected. Marginalized or disadvantaged groups of people in a weak position and who do not have access to social, political, and economic resources tend to be neglected. Advancement is frequently designed unilaterally by the authorities and enjoyed by themselves. The proof is that many portions of the government budget are used up for routine budgets and personnel expenditures, both at the central and regional levels. The development budget for those strands for the public is not very significant. The Ministry of Finance report in 2017 stated that personnel expenditure still dominates the composition of regional spending, namely 38.5 percent, followed by goods and services expenditure by 22.2 percent, and capital expenditure by 21.1 percent (Director General of Fiscal Balance, 2017).

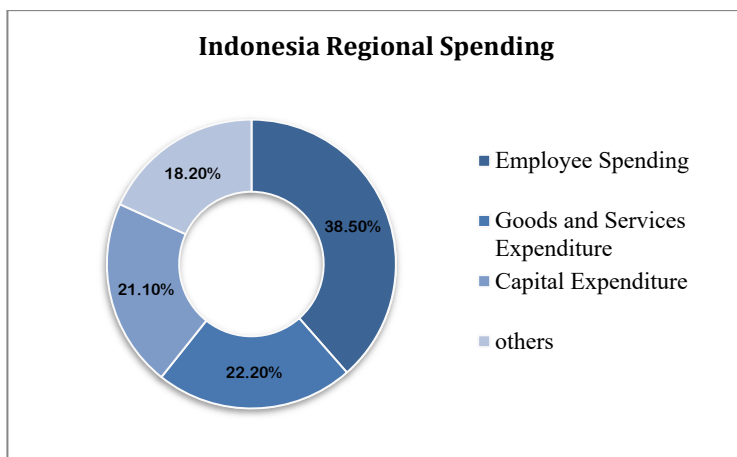


Figure 1.1 Regional Expenditure Composition

Source: Director General of Fiscal Balance, Indonesia

The development results have been fancied by those who run the country or manage the region. If any residual development results exist, then the trickle-down effect is given to the community as a sign that development for all has been carried out. The trickle-down development paradigm is suspected of obstructing the flow of development funds that should be enjoyed by the community (Astuti, 2001). As a result, groups of people who have limitations and are completely deficient are marginalized and neglected. They include tribal groups isolated, remote, and located in Indonesia's outer and frontier areas. Illegal street vendors occupy state-owned or forbidden land, and urbanites inhabit illegal huts around river banks. Also, residents occupied land which did not belong to them because they could not afford a house. These included factory workers, homeless people, beggars, the elderly, and other groups, including people with social disabilities. They are classified as "hopeless" people or groups, easily frustrated, and triggered to act aggressively. This marginal group are the losers. Farmers are also one of the loser groups. Soetomo (1997) stated that the defeat of farmers is reflected in the quality of life that does not improve from generation to generation. The exchange value of farmers' products has decreased compared to necessities and other products; even

the most striking defeat was “the farmer's hope that his children would not follow in his footsteps as a farmer”.

People who are defeated in development are generally easily provoked, and may act against the government or anyone who intrudes in their lives. Lack of hope for a better life, lingering despair, and the presence of groups such as fair queens who are well-understood or who only use them as commodities are welcome with great hope. They are directed everywhere, like arrows from a directing bow, and obeyed without question or complaint. They hunt for hope and fully believe in the group they saw as the fair queen wanted. Unfortunately, it is not uncommon for them to use violent means to achieve this goal.

Many cases involve marginalized people or communities fighting tooth and nail against whatever is considered an act of injustice and brutality. The following table lists cases of people's resistance to the government, business people, or other parties seen as disturbing and tormenting the people's lives.

Table 1.1. People's Resistance Case

No.	Type of Case or Conflict	The Root of Problem(s)	Parties to Conflicts and Disputes	Data Sources
1.	Conflict over the establishment of a paper factory	The Porsea community's rejection of the establishment of a paper factory by PT. Inti Indorayon Utama, because it was feared that it would have an impact on the environment and residential areas	Porsea community members and PT. Inti Indorayon Utama	Manalu, 2007
2.	Land Conflict	Land for people's livelihoods was taken away	Rengas Farmers and PT. PN VII Cinta Manis	Rukib, 2009
3.	Land conflict	Land for people's livelihoods was taken away	Jenggawah Farmers and PT. XXVII, supported by the government	Compiled from various sources
4.	Claims on public spaces	Land for people's livelihoods was taken away	Sampangan street vendors, Basudewo, Kokroso, and the Semarang Government	Handoyo, 2021
5.	Conflict over the Kwanyar lake	Outsider fishermen were supported by security forces using mini trawlers, causing the catch of local fishermen to be reduced	Batah Fishermen Village, Kec. Kwanyar, with outsider fishermen (Lamongan, Pasuruan, and Sampang)	Hikmah, 2008
6.	Conflict over the establishment of the Muria Nuclear Power Plant	The residents of Balong Village did not agree with the establishment of the NPP because they were worried that it would have an impact on their health, safety, and security.	Residents of the Balong Village community and the Jepara Regency Government	Compiled from various sources

7.	Conflict over the plan to establish a Cement Factory	The residents of Kendeng Rembang, promoted by the Kendeng Mountains Care Community Network (JM-PPK), disagreed with PT. Semen Indonesia to build a cement factory in Rembang, because the land was a livelihood source for villagers	A resident of Kendeng Rembang, PT. Semen Indonesia, and the Rembang Regency	Compiled from various sources
8.	Land conflicts (agrarian)	Nagari Abai Solok Selatan residents rejected PT. RAP to develop oil palm plantations, because the land used was a livelihood source for the people of Nagari Abai	Nagari Abai residents, PT. RAP and the local government of South Solok	Amrisal, 2013
9.	Conflict over the plan to establish a Cement Factory	The residents of Sukolilo and Kayen sub-districts in the mountains of North Kendeng, promoted by the Jaringan Masyarakat Peduli Pegunungan Kendeng (JM-PPK), protested against the plan to build a cement factory, because the land in the mountains of North Kendeng which contained karst was the livelihood source for the community	Residents of Kendeng Utara Village, Sukolilo, Pati with the local government of Pati and PT. SMS	Compiled from various sources
10.	Conflicts over land and water sources	The people of Padarincang community rejected the plan of PT. Tirta Investama, which became the intermediary for PT. Danone Aqua to exploit the Cirahab	Padarincang community members and PT. Tirta Investama	Compiled from various sources
11.	Conflict over sharing of proceeds from the sale of electric power	Laskap villagers held demonstrations and protests to the East Luwu local government in 2012-2013, because the compensation for the dam construction for the Karebbe hydropower project could not be enjoyed by residents around the dam	Residents of the Laskap village community and the local government of East Luwu	Arbin, 2015

12.	Conflict over electricity service	Residents of the city of Tarakan, North Kalimantan demonstrate to protest against PLN, which has turned off electricity almost every day for six to eight hours, even though they have received an electricity bill price adjustment of 59 percent	Citizens of the city of Tarakan, State Electricity Company, and the Mayor of Tarakan	Kompas, 2016
13.	Conflict over the establishment of the Hydroelectric Power Plant	In August 2016, residents of Seko, North Luwu rallied by forcibly dismantling equipment, fearing that the hydropower plant would interfere with the future of life for community members who live from customary land	Seko community members with PT Seko Power Prima	Compiled from various sources
14.	Conflict over the Coastal Zone Revitalization Policy	The people of Kampung Luar Batang have fought against the DKI government policy which will revitalize the coastal area which has an impact on community land ownership	Residents of Luar Batang village with the DKI Government	Compiled from various sources
15.	Conflict over the mayor's corrupt behavior	A group of bureaucrats in the city of Tegal fought back in the form of a whistleblower against the corruption of the Tegal mayor	Bureaucrats and the mayor of Tegal	Rizal & Nurhidayat, 2018
16.	Conflict over the Job Creation Bill	Demonstrations and labor resistance to the government and the DPR, because it is seen that the Job Creation Bill will torment the lives of workers	Labor groups with the government and the DPR	Anonim, 2020; Junita, 2020, Dharmastuti, 2020



There are still many conflict and resistance cases by farmers, fishermen, or community members against other community groups, business people, or the government. The root of the conflict is related to livelihood sources, land ownership, or government policies that disturb the community's lives. Resistance carried out by community groups cannot be seen as a deviation from social or legal norms. This resistance appears as regular when there is a discrepancy between the people's desire to live a decent and prosperous life and their actual conditions—for example, being poor, underprivileged, completely limited, full of difficulties, and having no hope of achieving the goal of a prosperous life. The factors that cause resistance come from outside, in the form of intervention or exploitation of resources owned by the community, which causes disruption to their lives. As a result, the community becomes vulnerable, helpless, and loses hope.

The vulnerable and helpless conditions of the community also occurs because development does not allay the problems of their lives, but rather, it neglects their interests. Moreover, the government that is supposed to function, protect, and create order so that the lives of all citizens can take place safely, comfortably, peacefully, and prosperously, is not present in real-time. Conditions of poverty, underdevelopment, and community powerlessness cause them to be marginalized, untouched by development projects, or seen only as objects of development. Therefore, they cannot enjoy the development outcomes. Naturally, this disadvantaged group becomes apathetic, oppositional, sometimes disobedient, and opposes the government.

Poverty is not a severe problem when the government has policy interventions in which to overcome it. Various poverty alleviation schemes promoted by the government, society, and international institutions seem to have been carried out massively and systematically, from time to time. Being poor financially but so rich of heart is often a consolation for most poor people. It may be accepted that this statement is a consolation. However, this mindset should not be left to view the poor or a reality obtained. Poverty is not the only major problem of the Indonesian nation. There are more fundamental problems, such as the social exclusion and marginalization of needy people by the government. This social exclusion causes community groups to become vulnerable and fall into poverty. The

government's social protection schemes do not cover many informal sector actors. Even though, in reality, they are vulnerable to falling below the poverty line. They are residents of the informal sector who do not have an identity as residents, so they are not administratively registered and do not receive social assistance from the government. They need help, but the government does not hear their screams.

The problem raised in this book is why various government policy interventions in overcoming poverty have not raised the poor in Indonesia out of poverty. The question is, who and what is wrong? This book is written based on the assumption that government intervention is still needed to alleviate poverty, including people who are limited in their potential, underprivileged, and marginalized because they are also vulnerable to poverty. This perception is caused because the government has the resources needed to make policies capable of breaking the chain of poverty.

The economic interventions that the government and community institutions have carried out have not been sufficient to empower poor people and marginalized people. Therefore, social intervention is needed by using social capital to mobilize people who have problems and people who will participate in solving problems in a collective action to overcome the problem of poverty and issues of lack and limitations.

Social scientists have long introduced the concept of social capital. However, before the term "social" was attached to the word "capital", the term capital appeared first. The concept of capital appears in economic literature. Capital was initially understood as an amount of money or production factors that can be accumulated and invested, which at one time or in the future is expected to provide productive benefits or services (Dasgupta and Stiglitz, 1999; Field, 2008). Capital in the economy has an essential function in producing goods and services in the long run. Generally, economic activity involves three important capitals: financial capital, physical capital, and human capital (Lawang, 2005; Usman, 2018). Personal, cultural, political, and social capital can also benefit economic development. Of all these, the capital that contributes to social cohesion and economic benefits is social capital.

The concept of social capital has long been discussed by economists in the 19th century (Castiglione et al., 2008: 2). However, the term “social capital” appeared for the first time in 1916 when Lyda Hudson Hanifan wrote about The Rural School Community Center (Moelyono, 2010). This discussion about social capital arises because economists realize that it is not solely based on human capital, physical capital, and financial capital to drive economic activity. However, other types of capital effectively ease economic activity and can even obtain better results than relying on human, physical, and financial capital. Hence, the capital is referred to as social capital.

The literature on social capital is relatively abundant. The concept of social capital has been used in various fields, including political, economic, social, legal, cultural, and other areas (Usman, 2018). The level of analysis varies; some emphasize individuals (Burt, 1992), organizations (Leana and Van Buren, 1999), communities (Putnam, 1993), industry (Walker, Kogut and Shan, 1997), and nations (Fukuyama, 1995). Nevertheless, social capital writers and researchers frequently use Coleman, Putnam, Fukuyama, and Bourdieu for all views on social capital. The analysts often use social capital analysis levels at the organizational and community levels.

Social capital plays a significant role in the economic and social fields, especially in improving the welfare of the poor. Further details on the relationship between social capital and poverty are described in this book. This book consists of five chapters. The initial chapter elaborates on development policies that have not addressed the problems of community groups classified as poor, powerless, disadvantaged, and marginalized. Poverty as a commodity, rather than a big problem, is still visible in the government’s development approach. The sheer economic policy, considered as a powerful way for development, cannot solve the poverty or powerlessness experienced by marginalized communities. The social approach—in this case—the use of social capital, is seen as appropriate as development capital that accompanies the economic system to solve the problem of poverty. Social capital hypothetically contributes to solving development problems, particularly poverty, like other capital. Social capital is suspected of mobilizing people with socio-economic issues and

solving problems in a collective action to overcome poverty, shortages, and limitations.

Chapter Two discusses social capital as Coleman, Putnam, Fukuyama, and Bourdieu stated. Coleman believes that social capital is anchored in a social structure. Social capital, according to Coleman, is not limited to those who are vigorous but also provides tangible benefits to the poor and the marginalized community. Putnam believes that social capital, which consists of trust, norms, and networking, can carry out collective action. Fukuyama argues that trust is a valuable social capital that determines a company's success. Social capital is an ability that arises from trust in a community. As part of social capital, trust is built with honesty, loyalty, and cooperation. Trust, according to Fukuyama, is not evenly distributed in society. Bourdieu defines social capital as several resources, actual or virtual, collected in an individual or group. It has a long-lasting network in the form of a reciprocal relationship of introduction and recognition that is more or less standardized. Bourdieu incorporates cultural capital into social capital. This social capital is only owned by the elite, not the lower groups, let alone marginalized groups. The social capital perspective is also discussed in Chapter Two. These perspectives are the communitarian view, the networks view, the institutional view, and the synergy view. Chapter Two also describes how to measure social capital both qualitatively and quantitatively. It is necessary to know the criteria or components in measuring social capital. Generally, the details of social capital that can be measured are (1) groups and networks, (2) trust and solidarity, (3) collective action and cooperation, (4) information and communication, (5) social cohesion and inclusion, and (6) empowerment and political action.

Chapter Three describes the elements, types, and benefits of social capital. The aspects of social capital discussed are trust, norms, and networking. Types of social capital include bonding social capital, bridging social capital, and linking social capital. Social capital is formed through interaction in a social structure. Social capital is suspected of having benefits, especially in the economic field.

Chapter Four describes the linkages between poverty and development. This chapter will explain how development activities can overcome poverty. For this reason, this chapter thoroughly examines what poverty is, its types, causes, the solutions to poverty, the relationship between poverty and development, and how to make people happy through development activities. The keyword in this chapter is welfare, in the sense that through development activities, the community will enjoy prosperity. If the community is prosperous, the vocabulary of poverty is no longer present in people's lives.

Chapter Five examines social capital and poverty reduction. This chapter believes that apart from human capital as the subject of development, other assets play an essential role in overcoming poverty, namely social capital. Human resources as development capital must be developed through education and training potential. As the subject of development, they must also be maintained in their health to act for development purposes. The provision of good education and health facilities is the government's responsibility. Humans who have good education and health are suspected of being subject to reliable development. The interaction between people in the social structure gives birth to social capital, which helps development. Sufficient stock of social capital in the social network alleviates the poverty experienced by the Indonesian people.

# CHAPTER TWO

## DEFINITION, PERSPECTIVES, AND METHODS OF SOCIAL CAPITAL MEASUREMENT

Social capital is an abstract concept, so it is often complicated to calculate or measure. The easiest way is to find criteria or create any parameters, concepts, or variables identified as markers of social capital. Generally, social capital can be measured by a qualitative method or approach, but there are also many quantitative ways to measure social capital. This chapter will explain the notion of social capital as stated by Coleman, Putnam, Fukuyama, and Bourdieu. After that, it will explain how to measure social capital qualitatively and quantitatively.

### **A. Definition of Social Capital**

There are many definitions of social capital. In this section, several authors put forward some concepts familiar to social capital observers or researchers, namely Coleman, Putnam, Fukuyama, and Bourdieu.

#### **1. Coleman's View**

James Coleman, an American sociologist, gave much attention to education issues. Coleman used the concept of social capital in his research on education. In his study, Coleman examined the factors that influence student academic achievement. One of the findings is that peer groups have an influence that is no less important than school in determining children's achievement. In his study of private and public schools' comparative performance, Coleman reported that students performed better in Catholic-affiliated private schools than in public schools. Another finding was that in these Catholic schools, truancy and dropout rates were lower than those of students who attend public schools.

Religious organizations, according to Coleman, were among the remaining organizations in society, outside the family and across generations. These organizations are among which adult communities' social capital is made available to children and youth. Likewise, community norms on parents and students serve to reinforce teachers' expectations. The community turned out to be a source of social capital that can neutralize the impact of unfavorable socio-economic conditions in the family (Field, 2010).

In a series of his studies on education in slum communities, Coleman concluded that social capital is not limited to vigorous and tangible benefits for the poor and marginalized people (Field, 2010: 32). Social capital is a resource that contains the hope of reciprocity, involving a more comprehensive network whose relationships are governed by a high level of trust and shared values. Coleman (2000) found that social capital, in the form of expectations and obligations, networks and information, and social norms, has a positive effect in increasing the volume of human capital both in the family and community spheres. The intensity of relationships within, and outside, the family strengthens social capital and helps create human capital in the future. In this connection, Coleman (2000) defined social capital as follows:

A set of resources that are attached to families in the community's social organization are helpful for the cognitive or social development of a child or young person. These resources are different for various people and can provide essential benefits for children and young people in developing their human capital.

The concept of social capital elaborated in Coleman's research is social relations. According to Coleman, social relations describe a social structure in which individuals act as sources for other individuals (Castiglione et al., 2008). This social structure facilitates all individuals or actors who work together in that structure (Field, 2010).

Coleman is considered the main driver behind the birth of rational choice theory in contemporary sociology. In rational choice theory, there is the belief that all behavior comes from individuals trying to pursue their interests. According to Coleman's sociology, individual behavior is highly individualistic, in that everyone automatically does things that will serve

their interests, regardless of the fate and interests of others. On this basis, Coleman understands society as a set of social systems of individual behavior. Thus, the concept of social capital is understood as explaining how people try to work together. Coleman (in Field, 2010) provided an excellent example of seeing the parallels between cooperation (social capital) and individualism.

As quoted again by Field, Coleman provided an example of the prisoner's dilemma in-game theory. In this prisoner's dilemma, two individuals are placed in separate cells, and then they are told that the first to confess their friend's mistake will receive favorable treatment. The dilemma is whether to remain silent in the hope that no other evidence will prove his guilt and receive no penalty at all if the second player acts similarly or admits and accepts a reduced sentence. Rational choice theory predicts that the second choice will be chosen because each prisoner knows that the other prisoner will tend to confess when faced with the same choice.

In economic theory, Coleman saw that the employer would act as a free-rider when paying for the team member training rather than investing in future team member skills. In this case, the employer calculates that as long as the employer's interest is met, they are willing to pay workers whom others have educated. Rational choice theory predicts that each individual will serve their best interests, as in this case, the company will have to pay a more significant dividend in the long run. It is done not solely for the welfare of the employees but also for their company advancement. In both cases, cooperation seems to coexist with individual competition, but all of this is because of the calculations regarding the benefits individuals can gain through collaborative activities. It is similar to the role of the invisible hand from the market as initiated by Adam Smith. So, Coleman's concept of cooperation does not conflict with individuality that tends to pursue its own interests. The cooperation created through social relationships has helped make the obligations and expectations of actors, build an open social environment, open information channels, and establish norms that support forms of behavior while applying sanctions for prospective stowaways (free-riders). However, Coleman admitted that individual actors do not build social capital by cooperating with others but that social capital is born as an undesirable



consequence of pursuing their interests. In other words, social capital is not taken because the actor calculates the choice to invest in it but as a byproduct of activities carried out to achieve different goals (Filed, 2010).

In line with Coleman's view, Handoyo (2012) found that the street vendors studied were generally willing to collaborate with other street vendors because of their same interests, to work to earn income for supporting their families in the locations they have been living in. They remain in places that the city government deems off-limits for two reasons. First, they need to survive. Second, they stay because they feel united with other street vendors under the association's protection and other organizations that support them.

Coleman believed that the analysis of social capital formation provided a middle ground between a rational choice perspective that views social action as the result of self-interest. The based activities aimed at the individual and a social norm perspective explain social behavior as dependent on external constraints imposed by norms (Castiglione et al., 2008; Field, 2008). In short, social capital is a means of reconciling individual actions and social structures. Actions that lead to social capital formation are rational, although it is recognized that individuals do not always act rationally. Nevertheless, most individual actions are reasonable because, in a social context, social scientists understand that social organization comes from, and is a collection of, particular actions. The actions of an individual are understood in the context of for what reasons they are carrying out these actions. It is taken so that the theoretical goal of social science should be to understand those actions to make them rational from the actor's point of view (Coleman, 2009). In other words, what is usually considered irrational is simply because the observer does not yet know the perpetrator's point of view. For the actor himself, the action taken is deemed rational.

## **2. Putnam's View**

Putnam (2000) is best known for his book *Bowling Alone*. The book clearly described how lonely a bowling player could be. This metaphor was not meant to represent Americans traveling alone to play alone.

However, there is less tendency to play in legal teams to face regular opponents in organized bowling leagues than to play with a group of family or friends.

A society that continuously watches television creates political apathy and indifference to others. Putnam concluded that north Italy's institutional performance was relatively prosperous due to the reciprocal relationship between the government and civil society based on research in northern and southern Italy. In the north of Italy, autonomous and self-governed guilds, contributed to the maturity of civil society, which in turn served to support the policies and programs of the northern Italian government.

In an article entitled *Economic Growth and Social Capital in Italy*, Helliwell and Putnam (2000) also showed that civil society's support plus the effectiveness of the northern Italian regional government institutions have a better level of prosperity than the southern Italian government. Social capital, such as education level, openness, and effective institutions, contributes significantly to satisfying local government citizens. According to Helliwel (2006), life satisfaction is related to various types of trust and networks that may foster trust. Citizen satisfaction with the northern Italian governments performance, which gave them prosperity, creates high confidence in the government.

Based on his research in Italy, Putnam understood social capital as part of social organization, such as beliefs, norms, and networks that can increase society's efficiency by facilitating coordinated actions (Field, 2010). For example, in politics, social capital contributes to collective action by increasing the potential costs of political traitors, encouraging norms of reciprocity, facilitating the flow of information, inputting information about actors' reputations, incorporating past successes of collaborative efforts, and acting as blueprints for future cooperation (Field, 2010).

Putnam's view of social capital differs from that of Coleman. For example, suppose Coleman believed more in the church's influence and the family as part of the social bonding capital. In that case, Putnam paid less attention to church and family institutions and believed more in loosely constructed organizations or bridging social capital.

After examining how social capital influenced government success in northern Italy, Putnam turned his research to the United States. In his analysis, Putnam saw a significant decline in social capital in the United States since the 1940s. Meanwhile, before this happened, the United States had political associations that were beneficial to the development of democracy. As de Tocqueville has seen, Americans were used to gathering in large numbers, talking and listening to one another, and moving reciprocally to do something with Americans' political associations. For Tocqueville, associational life is an essential foundation of social order in a relatively open system (Field, 2010). The high level of citizen involvement teaches people how to work together in community life.

In the 1960s, America's social capital was on the decline, and Putnam described America at that time as divided and separated from the community. Evidence of declining American social capital included American perceptions of declining honesty and trustworthiness, an increasing tendency for American drivers to ignore the stop signs at crossroads, and a sharp increase in crime reports. Putnam (2000) pointed to four leading causes of declining social capital in the United States. First, the enormous amount of preoccupation and pressure associated with a two-career family has reduced the amount of time and other resources that women, especially, can spend in their community. Second, residents of large metropolitan areas experience destructive results in the periphery because they have to spend time hanging out so that their bonds tend to be fragmented. Urban mobility and overgrowth are the factors that influence this. Home-based electronic entertainment, namely television, is the third leading cause of the decline in social capital. Addicted to television viewing has almost cut off society's lives and people do not spend much time with their friends or neighbors. Another impact of people continuously watching television is the creation of political apathy and ignorance. The fourth cause is generational change. According to Putnam, nearly twice as many people were born in the 1920s. They were associated members as their children and grandchildren were born in the 1960s. Also, those who were born in the 1960s were believed to be less citizen-oriented.

In the 1990s, Putnam changed his definition of social capital. Putnam claimed that social capital is part of social life, namely in networks, norms, and beliefs that encourage participants to act together more effectively in order to achieve common goals (Field, 2010; Suharto, 2008). Putnam distinguished two forms of social capital: bonding or exclusive social capital and bridging or inclusive social capital (Field, 2010). Bonding social capital encourages complete identity and maintains homogeneity. This bonding social capital is excellent for sustaining specific reciprocity and mobilization of solidarity and for strengthening group identity and loyalty. In contrast, bridging social capital tends to unite people from various social domains. This bridging relationship is good for linking external assets and for information dissemination.

Putnam firmly believed in the efficacy of social capital in constructing collective action. However, unfortunately, he also believed in the influence of social capital and ignored actors' roles in the social structure, especially the dominant actors. Likewise, because his thinking rests on the social and economic aspects, he paid less attention to the political role, especially the role that can be played by the state.

### **3. Fukuyama's View**

Fukuyama (1995; 1999) defined *social capital* as a set of informal norms or values shared by group members that allow for cooperation. The keyword for Fukuyama's definition of social capital was cooperation. This cooperation would work well when there is trust between people in the social structure. Fukuyama (1995), in his article on *Scale and Trust*, found that trust is a valuable social capital that determines the success of a company. Fukuyama understood social capital as an ability that arises from trust in a community (Suharto, 2008). Trust, according to Fukuyama, was built with honesty, loyalty, and cooperation. However, this trust (social capital) was not evenly distributed in society. In individualistic cultures, trust lies in voluntary associations (for example, in the United States) that determine large companies' development. In contrast, in familistic societies (such as Korea, Taiwan, and Hong Kong), trust lies in the family line, so small family-based companies grow in these three countries.

In a book entitled *The Great Disruption: Human Nature and Reconstitution of Social Order*, Fukuyama (2005) found bureaucratic hierarchies decline in the political and economic fields and the development of information technology. Industry-based production has also undergone a transition to an information-based form of production. As a result, the hierarchical leadership system experienced erosion. The network model signified informal relationships and alliances between organizations, as seen in the keiretsu system in Japan, corporate alliances in Italy, and Boeing's relationship with its suppliers, which can cover the hierarchical structure system's weaknesses.

According to Fukuyama (2005), the exchange in the network model is reciprocal, not solely based on the principle of profit and loss. This exchange occurs because discussions in shared norms-based networks are informal ones that do not expect immediate recompense but long-term benefits. This network is an integral part of social capital. Social networks, in Christakis and Fowler's (2010) view, contain two critical aspects, namely: (1) there is a relationship of who is connected to whom, (2) contagion, which refers to whatever flows along with the bond. At the individual level, network members will benefit, such as increased access to information exchange, enforcement of contracts, and focus on collective vision and goals (Beugelsdijk, 2002). In such a context, social capital is a norm of reciprocity and networks or associations that can promote cooperative action and be used as a social resource for mutually beneficial profits (Woolcock, 2000).

#### **4. Bourdieu's View**

In contrast to Coleman, Putnam, and Fukuyama, Pierre Bourdieu, in his research in the 1960s, described the dynamic development of social structures and ways of thinking that formed a habitus that became a bridge between subjective agency and objective positions in Algeria (Field, 2010). Habitus is a mode for groups to use cultural symbols as a sign of distinction, marking and establishing their position in the social structure. Bourdieu included cultural capital as part of social capital.

As specified by Bourdieu, this social capital is the exclusive property of the elite, which is designed to secure their position and status (Field, 2008). On this basis, Bourdieu believed that there is no place for less privileged (non-elite) individuals and groups to benefit from their social ties. This perception is different from Coleman's view, which believed that social capital is not limited to strong (elite groups) but can also be used by the poor and marginalized communities (Field, 2008).

Cultural capital owned by people or social groups reflects the resources of their financial capital and family and school education. Cultural capital can, to some extent, operate independently from financial pressure and even compensate when there is a lack of money, as part of the strategy for individuals or groups to gain power and status (Field, 2010).

When examining a golf club membership that he believes is smoother to ease the business' model wheel, Bourdieu recognizes social capital. In 1973, in the early stages of his study, Bourdieu defined *social capital* as the capital of social relations that would provide helpful support if necessary. This support is the capital of self-respect and honor, which is often required if people want to attract clients into positions of importance socially and can be used as a medium of exchange, for example, in a political career. However, after struggling with the social capital concept for a long time, Bourdieu revised his social capital view.

Social capital is the number of resources, actual or virtual, collected in an individual or group because it has a long-lasting network in the form of a reciprocal relationship of introduction and recognition that is more or less standardized (Field, 2010).

Bourdieu believed that capital is an accumulation of labor. Capital is not only seen from the economic aspect because the main motive in economics is to seek profit, which is directed to fulfill self-interest. Cultural capital and social capital must be treated as assets that represent the products of accumulated labor. The volume of social capital an agent has depends on the number of connections mobilized. Through connections, social capital, respect, and pride can be used to gain confidence as members of upper-class groups of society or even be used for a career in politics. This upper-class group applies to those with a