

## Social Capital Formation in Community Development and Conservation Interventions: Comparative Research in Indonesia

By Carol Warren (Murdoch University), Greg Acciaioli (University of Western Australia), Dirk Steenbergen (Charles Darwin University), John McCarthy (Australian National University)\*

Concepts of local civic participation, community capacity building and social capital formation are widely asserted to be of importance for democratic good governance, economic development and sustainable resource management (Bebbington et al. 2004; Woolcock 2010; Mansuri and Rao 2013). This brief summarizes the results of comparative investigations into participation and social capital formation through village-level field studies across several of Indonesia's culturally and ecologically diverse regions.

### Introduction

The research project<sup>1</sup> studied the processes and outcomes of community development and conservation programs aimed at improving participation and building capacity in villages with different social and ecological assets. It assessed the extent to which these approaches have contributed to improved governance and more sustainably managed environments over the decade and a half since Indonesia began its dramatic program of democratisation and decentralisation. This research applied a mixed methods approach in 15 villages across 9 Indonesian provinces<sup>2</sup> where community-

based development and conservation interventions had been introduced. It involved detailed random sample surveys, interviews with key figures in local government and non-government organizations, and participant observation. The results are of comparative policy significance beyond the Indonesian case for improved understanding of the practical relationships between capacity building strategies and the community development and conservation goals associated with applications of social capital, participation, and empowerment concepts.

### Debates

Researchers concerned with sustainability of community development and conservation initiatives have called for more attention to how outcomes are affected by various forms and stocks of 'social capital', suggesting this as a missing link in the sustainable development agenda (Ostrom 1990, 2009; Pretty and Smith 2004; Woolcock 2010). Accumulated social capital from past experience and capacity building interventions, it is argued, can have a multiplier effect, facilitating the forging of future collective action and common interest solutions to local problems. High levels of local participation should theoretically lead to better informed decision-making, greater accountability, and broad public ownership of equity and sustainability goals (World Bank 2002; Bebbington et al. 2004). Nonetheless, the theoretical assumptions and practical utility of these approaches remain contested (Harriss 2001; Li 2007; Saunders 2014). Critics have challenged tendencies to sidestep structural questions of power and inequality. Social capital itself may facilitate transactions among particular interest groups, while excluding other groups from access to resources. Policy makers' enthusiasm for the social capital concept also sits uncomfortably with more complex understandings of the multiple interests and identities that in varying degrees characterise all communities. Community-based approaches to resource management cannot afford to ignore the effects of political domination and exclusion (Li 2007; Cleaver 2012). Furthermore, narrowly defined economic development objectives are often

---

\* The views and opinions expressed are the authors' and do not represent those of the Secretariat of the United Nations. Online publication or dissemination does not imply endorsement by the United Nations. Authors can be reached at C.Warren@murdoch.edu.au.

<sup>1</sup> This research was conducted as part of an Australian Research Council funded project on 'Social Capital, Natural Resources and Local Governance in Indonesia' (DP0880961). Project participants were Carol Warren, Dirk Steenbergen, Jodie Goodman, Viviane Rambe and Geoff Baker (Murdoch University); Greg Acciaioli (University of Western Australia); Anton Lucas, Uzair Fauzan, Jim Schiller, Johan Weintre (Flinders University); and John McCarthy (Australian National University).

<sup>2</sup> The research covered by this brief included village studies from the following Indonesian provinces: Aceh, Bengkulu, West Kalimantan, West Nusa Tenggara, Central Sulawesi, Southeast Sulawesi, Bali, Maluku and Papua. For a full report on the community development component (PNPM), see McCarthy et al. 2014.

at odds with conservation and sustainable resource management goals (Warren and McCarthy 2009).

## Findings

Our findings are indicative of many of the key dilemmas facing the community based development and conservation agendas, and are broadly representative of the diverse outcomes reported for common property resource management studies elsewhere (Agrawal 2007; Saunders 2014). Our research indicates that, compared with central planning processes, the Indonesian community empowerment and development program (PNPM) was generally acknowledged by respondents to offer an improved approach to planning and delivering local infrastructure by establishing mechanisms for increased participation. The program also offered opportunities for adaptive learning at the village level through an iterative process of deliberation over successive years of planning. However, despite economic benefits, transfer of capacity building approaches to other decision-making spheres, including critical local environmental issues, were less evident (See Box 1).

Problems encountered in the Indonesian cases derive from contradictions at the heart of the community empowerment approach. Opportunities for community decision-making through enhanced participation, transparency and accountability involve lengthy and complicated planning and implementation procedures with considerable transaction and opportunity costs that constitute a disincentive for involvement of the poor (see also Cooke and Kothari 2001). The scope of deliberation processes, which shape whose voices are heard, is much narrower than the participatory framework would suggest. The capacity of the resource-poor and marginalized, especially women and other disadvantaged groups, to access benefits and opportunities remains circumscribed, and conservation programs restricting access to natural resources impose disproportionate burdens on the poor (see also Brosius et al. 2005; Hutchison et al. 2014).

<b>Box 1 - % of Respondent Households Reporting Knowledge, Participation and Satisfaction in Participatory Community Development and Conservation Programs in 15 Indonesian Villages</b>	
<b>National Community Development Program (PNPM):</b>	
Knowledge/information (direct or indirect) regarding PNPM	79%
Direct participation in one or more of the five stages of local involvement in the PNPM program (information, proposal development, implementation, monitoring, evaluation)	42%
Satisfaction with the local implementation of PNPM	51%
<b>Community-based Conservation Program<sup>3</sup>:</b>	
Knowledge/information (direct or indirect) regarding community environmental program	48%
Direct participation in community environmental program	27%
Satisfaction with implementation of community environmental program	38%
N = 647 households.	
<i>Source:</i> Project survey data. See McCarthy et al. (2014) for elaboration of PNPM survey results.	

Participatory approaches face a fundamental problem in dealing with established hierarchies, an issue central to the social capital debate (Mosse 2010). On the one hand, participatory approaches aim to build on constructive vertical as well as horizontal networks and the capacities associated with good leadership. On the other hand, they must endeavour to avoid elite capture of decision-making. It remains difficult to transcend this inherent tension. While our study did find examples of village leaders who had taken advantage of opportunities to pursue activities of wide benefit to their communities, we also encountered examples of elite capture of project benefits by established interests. Where the poor are embedded in patronage networks that work against governance approaches attempting to incorporate two-way accountability, efforts to democratize access to

<sup>3</sup> These key community-based environmental programs differed across village cases, and included both terrestrial and marine conservation programs focused on local natural resource management issues.

benefits have proved difficult. In the absence of structural transformation, community participation processes typically map onto existing power relations. Conservation and development projects provide new opportunities for some, but may increase the marginalization of others where unequal power structures and vulnerability persist.

Nevertheless, our survey results did show a roughly proportionate degree of involvement in the Indonesian government’s community development program (PNPM) across all socio-economic groups within the study villages (McCarthy et al. 2014:241). Although this says little about the quality of participation of lower socio-economic groups, it does indicate that the program has been a stepping-stone towards increasing the role of hitherto marginalized groups in decision-making. Along with relatively high levels of satisfaction (See Box 1), the survey responses on participation suggest that defects in the Indonesian community empowerment program (PNPM) and other similar participatory development or conservation programs should be addressed by reforming and building upon, rather than wholesale jettison of such approaches.

There are clear lessons from the Indonesian research indicating ways to build on local experiences with these and other participatory and capacity building approaches (See Box 2). Requirements for improvement include: reforming socio-political structures through more thorough-going democratization of the framework of local government; improving the articulation between formal government, civil society and intervention projects; institutionalizing more effective checks and balances across scales; providing enabling conditions for inclusive governance (Hickey and Mohan 2005; Fritzen 2007); planning longer time-frames for effective ‘adaptive’ institutional development and fostering ‘institutional bricolage’ (Clever 2012) across projects and scales of governance; and explicitly building sustainability criteria into all local planning and development interventions.

<b>Box 2 - Equitable and Sustainable Participatory Community Interventions: Lessons Learned</b>	
• Sustainability	Sustainability considerations do not necessarily follow from empowerment interventions; Explicit, systematic incorporation of sustainability principles is needed.
• Equity	Special attention is required to provide resources to support participation of marginalized groups.
• Cross-scale democratization	Elite control and capture remain persistent concerns; Effective participation and democratic selection of representatives at all levels of governance is required.
• Resist simplifications	Applied design principles tend to ignore contextual complexities; Preparatory attention to structural conditions is essential.
• Time frames	Interventions require long time-frames to enable adaptive learning.
<i>Source: Authors’ compilation based on project research</i>	

## References

- Agrawal, A. (2007) Forests, governance, and sustainability: common property theory and its contributions, *International Journal of the Commons*. 1(1):111-36.
- Bebbington, A., S. Guggenheim, E. Olson and M. Woolcock (2004) Exploring social capital debates at the World Bank, *Journal of Development Studies*, 40(5): 33–64.
- Bourdieu, P. (1990 [1980]) *The Logic of Practice*. Stanford, Calif.: Stanford University Press.
- Brosius, P., A. Tsing, and C. Zerner, eds. (2005) *Communities and Conservation: Histories and Politics of Community Based Natural Resource Management*. New York: Altamira Press.
- Cleaver, F. (2012) *Development through Bricolage: Rethinking Institutions for Natural Resource Management*, London: Routledge.
- Cooke, B. and U. Kothari (2001) *Participation: The New Tyranny?* London: Zed Books.
- Fritzen, S. A. (2007) Can the design of community-driven development reduce the risk of elite capture? Evidence from Indonesia, *World Development* 35 (8):1359-75.
- Harriss, J. (2001) *Depoliticizing Development: The World Bank and Social Capital*. London: Anthem Press.
- Hickey, S. and G. Mohan (2004) *Participation: From Tyranny to Transformation? Exploring New Approaches to Participation in Development*, London: Zed Books.
- Hutchison, J., W. Hout, C. Hughes and R. Robison, (2014) *Political Economy and the Aid Industry in Asia*. Basingstoke, UK: Palgrave Macmillan.
- Li, T.M. (2007) *The Will to Improve: Governmentality, Development, and the Practice of Politics*, Durham: Duke University Press.
- Mansuri, G. and V. Rao (2013) *Localizing Development: Does Participation Work?* Washington DC: The World Bank.
- McCarthy, J., D. Steenbergen, G. Acciaioli, G. Baker, A. Lucas, V. Rambe, C. Warren (2014) ‘Dilemmas of participation: the National Community Empowerment Program (PNPM)’, in H. Hill, ed., *Regional Dynamics in Decentralized Indonesia*. Indonesia Update Series, Singapore: ISEAS.
- Mosse, D. (2010) A relational approach to durable poverty, inequality and power, *Journal of Development Studies*, 46 (1):156–78.
- Ostrom, E. (1990) *Governing the Commons: The Evolution of Institutions for Collective Action*. Cambridge: Cambridge University Press.
- Ostrom, E. (2009) A general framework for analysing sustainability of social-ecological systems, *Science* 325: 419-422.
- Pretty, J. and D. Smith (2004) Social capital in biodiversity conservation and management, *Conservation Biology* 18(3):631-38.
- Putnam, R., with R. Leonardi, and R. Nanetti (1993) *Making Democracy Work*, Princeton: Princeton University Press.
- Saunders, F.P. (2014) The promise of common pool resource theory and the reality of commons projects, *International Journal of the Commons*. 8 (2):636-57.
- Warren, C. and J.F. McCarthy (eds) (2009) *Community, Environment and Local Governance in Indonesia: Locating the Commonweal*, London: Routledge.
- Woolcock, M. (2010) The rise and routinization of social capital, 1988–2008, *Annual Review of Political Science*, 13: 469–87.
- World Bank (2002) *Social Capital, Local Capacity, and Government: Findings from the Second Indonesian Local Level Institutions Study: Overview Report*. Washington: World Bank.