## THE ROLE OF SOCIAL CAPITAL IN IMPROVING HOUSEHOLD WELFARE (CASE STUDY IN LAMBU DISTRICT, BIMA REGENCY)

Fajrin Hardinandar<sup>1</sup>, Adhi Nurrahman Pratama<sup>2</sup>

 Master in Economics and Development Studies, Universitas Diponegoro
 Research Division of UKM Biru 09, Sekolah Tinggi Ilmu Ekonomi Bima E-mail: fajrinhardinandar@students.undip.ac.id

Abstract

This study aims to analyze how the role of social capital in improving household welfare. This study was conducted on households in the Lambu sub-district with an analytical method using probit and Tobit models, as well as a two-way causality relationship between the welfare model and social capital using the TSLS approach. The results of the study show that only bridging capital has an impact on increasing household welfare, due to the complexity of the heterogeneous interactions within it. While bonding capital is only on homogeneous community interactions so that it is less effective in increasing welfare, as well as capital linking which tends to produce distribution bias. The heads of households with more unmarried status are below the poverty line and tend to be active in bridging capital. They are aware that they must be involved in heterogeneous communities to improve their welfare, while married/divorced households tend to be above the poverty line and spend more time in the workplace than active in community activities.

*Keywords:* Bonding capital, bridging, linking, household status, depth of poverty *JEL Classification*:

## **1. INTRODUCTION**

Absolute poverty has so far declined, both on a global and national scale. In the Millenium Development Golds Report 2015 (United Nations, 2015) it was stated that in 1990 almost half of the population in developing countries lived on less than \$ 1.25 a day, and that proportion dropped to 14 percent in 2015. In Indonesia, achieving poverty reduction can be said to be very satisfying. March 2018 then the claimed poverty rate of 9.82 percent. This figure is the best poverty rate that Indonesia has ever achieved. Likewise Poverty at the provincial and district/ city level. But it does not rule out the possibility that there are also areas that still have high levels of poverty.

In Bima regency, precisely in the province of West Nusa Tenggara, the poverty rate shows a declining trend. The reduction in poverty is an implication of the massive efforts and policies of poverty alleviation. According to the Bima district statistics report 2018 (Central Bureau of Statistics, 2018), programs such as PKH, KB Village, venture capital assistance, investment in education and health, infrastructure improvements and teacher competencies have become substantive programs to alleviate poverty in Bima.

The development of the poverty rate in Kabupaten Bima shows a significant decline starting from 2014 at 16.87 percent and in 2017 becoming 15.10 percent, where the average poverty rate in Bima district is 16 percent (figure 1). However, the poverty rate in Bima Regency is still much higher compared to Bima city with an average of only 9.97 percent and Dompu district 14.56 percent. Whereas there is only a difference of 0.17 percent with the provincial level, where the average poverty rate in West Nusa Tenggara Province is 16.17 percent. Therefore poverty in Bima district still considered a serious problem.





Source: NTB Provincial BPS, data processed

The nuances of poverty alleviation policies with the dominant role of government are inherent in developing countries (Todaro & Smith., 2003). While the social approach is still not a priority, especially in efforts to alleviate poverty in Bima Regency.

The concept of social capital in a social framework has actually been put forward at the United Nations 1955 conference in Copenhagen. This concept is a breakthrough in efforts to alleviate poverty, (Yamin & Teguh, 2016). The results of several previous studies indicate that social capital cannot be separated from the social and political context for acceleration in community economic activity (Singh & Kori, 2016; Yamin & Teguh, 2016; Sundram, 2011; Cahyani, Sriwiyanto, Pratama, & Samudro, 2015; Kusuma, Satria, & Manzilati, 2017). Although social capital has a very strong influence in efforts to alleviate poverty, the community still faces challenges and obstacles in contributing to reducing poverty (Allahdadi, 2011).

Poverty has so far been concentrated more in rural areas than in urban areas. In rural areas the quality of human resources is still low, income and assets are lacking, more jobs are labor intensive, clothing, food and shelter distribution is not evenly distributed, conflicts often occur which hamper the development process. In short, the problem of poverty is an all-lacking problem and is a phenomenon that often occurs in rural areas (Todaro & Smith., 2003; Nanga, 2006).

Lambu District in Bima Regency is one of the rural areas that is still attached to poverty, where most of the people still depend on the agricultural sector. In 2017 around 1,195 households that still lived below the poverty line, and 4,446 were half prosperous from a total of 7.372 households in Lambu District. Vertical conflicts that often occur in Lambu sub-district also influence household decisions in determining their political and economic attitudes. At least there have been several clashes between civil society and security forces because of the refusal of several government programs in collaboration with the private sector in Lambu sub-district, where a major clash occurred at the end of 2011 which killed two civilians and burned the Bima Regent's office in January 2012 (Firdaus, 2014).

In connection with this, Sumodinigrat (1999) explained that the problem of poverty is not only about welfare, but contains various reasons, one of which is the problem of distrust, feelings, emotional and social impotence facing the village elite and bureaucrats in determining decisions concerning themselves and the group. The conflict shows that there is public distrust of leaders, therefore social interactions are closely related to the social capital of the environment to be disrupted. According to Firdaus (2014) the people in Lambu sub-district tend to be thicker in individual and community relations, which is closely related to the concept of social capital bonding and bridging.

Therefore we need to consider the role of social capital in seeing the extent to which prosperity can occur due to the availability of good connectivity between social networks, both horizontally and vertically (Bhandari, 2009). Through a mechanism for exchanging resources such as information flow, employment opportunities and material support and reciprocity and general trust, it is hoped that poor groups will have good experience to overcome their poverty problems (Yamin & Teguh, 2016). But improving wealth by considering social capital is a difficult challenge because it involves a broad aspect. Moreover, social capital is a problem in newly developed countries/regions, where the culture of low trust in the bureaucratic elite, psychological underdevelopment, low organizational capacity in a community and spiritual anxiety, as well as the economy, make the role of social capital quite difficult to determine in improving household welfare (Sundram, 2011).

So the purpose of this study is to find out how the role of social capital consisting of bonding, bridging and environmental social capital in an effort to improve household welfare in the Lambu sub-district of Bima district.

## 2. THEORETICAL FRAME-WORK AND HYPOTHESES

Substantially, social capital refers to the quality of human relations and opportunities that originate from the community and can be productive for relationships within the community itself (Johannes, 2009). This concept sees social ties (bonding, bridging and linking) that are useful for describing relationships between individuals or community levels, both horizontally and vertically (Helliwell & Putham, 1999; Yamin & Teguh, 2016).

First, bonding social capital is closely related to the relations between homogeneous individuals in a group or environment that are built on the basis

#### JIEP-Vol. 19, No 2, November 2019 ISSN (P) 1412-2200 E-ISSN 2548-1851

of trust and mutualism (Zhang, Anderson, & Zhan, 2011). Second, bridging social capital is a relationship that exists between heterogeneous individuals or groups of society or with different social backgrounds (Woolcock, 1998). Therefore this type of social capital becomes a link for social capital bonding. Bridging social capital enables a wider exchange of information to arrive at efforts to shape the progress of individuals and groups within the community. Third, social capital is thicker with social ties between individuals or groups with sources of power, institutional and political environment and is very useful for the long term in dealing with poverty and marginal communities (Van Bastelaer, 2000; Woolcock & Narayan, 2000; Bhandari, 2009). Bridging and linking social capital, namely the relationship in the existence of religion, ethnicity, politics and other large institutional groups is a fairly important basic role in alleviating poverty (Trigilia, 2001; Dudwick, Kuehnast, Jones, & Woolcock, 2006). While the poor are more inclined to high and weak social bonding capital in bridging environmental social capital and (Woolcock & Narayan, 2000; Flora & Thiboumery, 2005).

In complex community relations, social capital can also produce something negative, namely the existence of conflicts between individuals, groups in society, or even individual and group conflicts with private institutional, political and corporate environments. In this case, the benefits of social capital tend to be unevenly distributed, thus creating direct suspicion, hostility, and hatred (Trigilia, 2001; Fine in Johannes, 2009). Woolcock & Narayan (2000) explains that social capital as a double sword, on the one hand, social capital can represent a valuable asset for economic acceleration and an increase in people's welfare, but on the other hand, a strong bond in social capital

## **3. RESEARCH METHOD**

This study used data from the Bima Regency Central Bureau of Statistics in 2018 for the Poverty Line and a direct survey of 219 household head samples in Sumi, Soro and Melayu villages in the Lambu sub-district. The welfare variables used in this study are two, first, namely the measurement of household status ( $Y_1$ ), namely poor and non-poor households, and second  $(Y_2)$ , measure of the depth of poverty. The classification of household status is to compare household per capita expenditure with the average poverty line for Bima district in 2018. Meanwhile the depth of poverty per household is seen from the distance of expenditure of poor households to the poverty line  $P_1 = (z - yi)/(z)$ , where  $p_1$  is the depth of poverty which is the difference between the poverty line (z) with per capita expenditure (yi) divided by the poverty line (z). If (yi < z) then households are considered poor. To facilitate the interpretation, the depth of poverty is multiplied by 100, so the value into poverty lies between 0-100 (Yamin & Teguh, 2016). It is possible that in the household welfare model it has a two-way causality relationship with social capital, in which social capital is assumed to have an impact on improving welfare and increasing household welfare can have an impact on social capital (Woolcock & Narayan, 2000; Hassan & Birungi, 2011, 2011; Yamin & Teguh, 2016). Therefore it will be considered the use of the Two Stage Least Square (TSLS) method.

The indicator used to measure social capital bonding  $(S_1)$  is referring to the research of Sofyan Yamin and Teguh Dartanto (2016), the indicators are:

1) readiness to help others who are powerless, 2) helping residents who are experiencing disasters, 3) ease of getting help from neighbors, 4) the number of relatives, friends and neighbors who are ready to help when experiencing problems. The measurement scale indicator of social capital bonding uses a Likert scale. Then bridging social capital  $(S_2)$  refers to Beugelsdijk & Smulders (2003); Zhang et al. (2011) namely 1) the number of organizations/ groups that are followed, 2) participating in joint activities for public interests (such as mutual cooperation), 3) participating in social-religious activities, 4) participation in social activities (such as arisan, sports, arts), the measurement scale (0-4), with 0 indicating no community activities and 4 showing several times a week. Then for social capital linking  $(S_3)$  uses indicators developed from the research of Grootaet et. al. (2004) in Johannes (2009); Oliveira in UNESCO (2002); Pramoto (2012), the indicators developed are: 1) A household's trust in one's own abilities, 2) The willingness of a household to be involved in the political process (having an important position in the government bureaucracy), 3) access to assistance for the poor from the local government, 4) trust in the social and economic programs of the synergized local government with private parties. The indicator measurement scale of social capital linking uses a Likert scale.

Referring to the study of Zhang et al. (2011) it was assumed that there were several demographic factors that also influenced household status  $(Y_1)$ and depth of poverty  $(Y_2)$ , namely  $(X_1)$  marital status; married / divorced = 1 and unmarried = 0,  $(X_2)$  number of household members; people,  $(X_3)$ education; minimum junior high school = 1 and does not complete elementary school = 0,  $(X_4)$  assets; proxy area for floor area  $m^2$ ,  $(X_5)$ work; formal sector = 1 and non-formal sector = 0. The nature of the measurement of household status variables  $(Y_1)$  is a dichotomy, where the category of poor households = 1, and the category of non-poor households = 0. The consideration of the use of a dichotomous dependent variable requires the researcher to choose one of the cumulative distribution functions, namely the probit model on the equality of household status. Meanwhile the model of poverty depth  $(Y_2)$  is a combination of categories of data for non-poor households (0) and continuous data (0-100) for poor households. Samples where the dependent variable is only available for a part of the sample known as the censored sample, therefore the data on the dependent variable is censored then the tobit model regression is used (Gujarati & C., 2012). The difference in this research from previ-

difference in this research from previous research is to consider linking social capital so that social capital is seen from three theoretical aspects.

#### Probit model for household status:

$$\begin{split} P &= f(Y_1) = \Pi_0 + \Pi_1 S_1 + \Pi_2 S_2 + \Pi_3 S_3 \\ &+ \Pi_i \sum_{i=1}^5 X_i + u \end{split}$$

Where :

$$f(Y_1) = \frac{1}{\sqrt{2\pi}} \int_{-\infty}^{\Pi_0 + \Pi_1 S_1 + \Pi_2 S_2 + \Pi_3 S_3 + \Pi_i \sum_{i=1}^{5} X_i} e^{-z^2/2} dz$$

#### **Tobit Model for Depth of Poverty:**

 $Y_2 = \lambda_0 + \lambda_1 S_1 + \lambda_2 S_2 + \lambda_3 S_3 + \lambda_i \sum_{i=1}^{5} X_i + u \quad \text{If}$ right-hand side (RHS) > 0 = 0 if the opposite

#### Two Stage least Square model

The relationship of bonding capital to household status and depth of poverty are:

$$S_{1} = \beta_{0} + \beta_{1}Y_{1} + \beta_{2}S_{1} + \beta_{3}S_{2} + \beta_{4}S_{3} + \beta_{i}\sum_{i=1}^{5}X_{i} + u$$
$$S_{1} = \beta_{0} + \beta_{1}Y_{2} + \beta_{2}S_{1} + \beta_{3}S_{2} + \beta_{4}S_{3} + \beta_{i}\sum_{i=1}^{5}X_{i} + u$$

The relationship of bridging capital to household status and depth of poverty are:

$$S_{2} = \alpha_{0} + \alpha_{1}Y_{1} + \alpha_{2}S_{1} + \alpha_{3}S_{2} + \alpha_{4}S_{3} + \alpha_{i}\sum_{i=1}^{5}X_{i} + u$$
  
$$S_{2} = \alpha_{0} + \alpha_{1}Y_{2} + \alpha_{2}S_{1} + \alpha_{3}S_{2} + \alpha_{4}S_{3} + \alpha_{i}\sum_{i=1}^{5}X_{i} + u$$

The relationship of linking capital to household status and depth of poverty are:

$$S_{3} = \delta_{0} + \delta_{1}Y_{1} + \delta_{2}S_{1} + \delta_{3}S_{2} + \delta_{4}S_{3} + \delta_{i}\sum_{i=1}^{5}X_{i} + u$$
  
$$S_{3} = \delta_{0} + \delta_{1}Y_{2} + \delta_{2}S_{1} + \delta_{3}S_{2} + \delta_{4}S_{3} + \delta_{i}\sum_{i=1}^{5}X_{i} + u$$

## 4. DATA ANALYSIS AND DIS-CUSSION

#### **Descriptive Analysis**

Based on the survey we conducted on 219 sample heads of families in three villages in the Lambu sub-district, we found the fact that poverty had diminished. This is as shown in Table 1 that poor households in the Lambu sub-district are only 10.96 percent, of the total sample and the remaining 88.59 percent are classified as nonpoor households. The average number of family members of poor households and non-poor households is no different, with an average number of family members of three, consisting of father, mother, and child. The education level of the head of the household also shows progressiveness, in which both the head of the household who attends a minimum of a junior high school or not passes elementary school, both dominate non-poor households. While the head of the household at least graduated from junior high school which was classified as poor, only 4.42 percent, but still higher with the head of the household not graduating from elementary school, the poor category was 26.99 percent. This shows that the better the level of education of the head of the household, the more likely the said household is in the poor category.

In addition, households that work in the formal sector with a poorer category are less, which is only 8.75 percent, compared to other jobs or those who have stopped working, which is 18.65 percent. Meanwhile, the head of the household who works in the formal sector with the category of not being poor is dominated by 91.25 percent, and in the other sector or has not worked at 81.35 percent. In addition, households with a large asset area are more likely to be in the nonpoor category with an average asset area of 2.10 acres, while poor households have an average asset area of only 1.85 acres.

Then households with married/divorced status referred to in the poor category amounted to only 10.53 percent and not poor categories at 89.48 percent. While unmarried households with a poor category of 30 percent and not poor by 70 percent. Overall the descriptive analysis illustrates that the majority of households in the Lambu subdistrict belong to the category of not poor with an average number of family members of three, the minimum education at least junior high school, the majority of major jobs in the formal sector, with assets of 1 to 2 acres and the majority are married/divorced.

Household Characteristics	House	Total				
	Poor	Not Poor	- 10tai			
Household	10,96%	88,59%	100%			
Average number of family members	3,24	3,75	3.50			
Education level of household heads (%)						
Minimum junior high school	4,42%	95,59%	100%			
Not attending school / not graduating from	26,99%	73,02%	100%			
elementary school						
The main job of the head of the household (%)						
Agriculture / fisheries / forestry	8,75%	91,25%	100%			
Other work / no work	18,65%	81,35%	100%			
Average asset area (Are)	1,85	2,10	1,98			
Marital status						
Married / Divorced	10,53%	89,48%	100%			
Single	30%	70%	100%			
Source: Questionnaire processed 2010						

Table 1. Demographic Social Conditions of Poor and Non-Poor Households

Source: Questionnaire processed, 2019

# Social Capital and Welfare Variables

In the model of household status determinants and depth of poverty, it can be seen in Table 2 that only bridging social capital plays an important role in improving welfare. The estimation results show that with the increasing role of households in bridging capital, the probability of households entering poverty is -0.061 and will reduce the population below the poverty line by -0.518. These results are similar to the findings of previous studies which stated that the role of bridging social capital is very significant in alleviating poverty (Beugelsdijk & Smulders, 2003; Zhang et al., 2011 and Yamin & Teguh, 2016).

The role of bridging ties is very important to improve household welfare through a network of participation in community activities, thus accessing households to obtain assistance such as loans can be easily obtained. Productive resources such as information, capability knowledge, or funds, are generally attached to non-poor households The ineffectiveness of social capital bonding is caused by the ineffectiveness of homogeneous individual experiences. Individual interactions between poor families are less effective in presenting an exchange of information and experiences that are beneficial for poor families to improve their welfare. The reason is that in households that interact in a homogeneous community, causing the exchange of resources in the form of information, knowledge, and experience will tend to be limited (De Souza Briggs, 1998; Coffe & Geys, 2007).

Meanwhile the biggest obstacle is linking bonds, where almost 25 percent of respondents (communities) answered that they did not get access, spa-

ce or any assistance from the local government to alleviate the burden of poverty, and nearly 39 percent of respondents (community) answered that they had never agreed with a government program which is affiliated with the private sector to build large industries that have a negative impact on the culture, environment, and ecosystems around them. Vertical conflicts of interest between the ruling elite and surrounding communities have a negative impact. Improper management of policies will have a real impact, especially for poor households. This is what causes social capital linking less meaningful in efforts to improve household welfare (Pramoto, 2012; Allahdadi, 2011).

Then the demographic variables of marital status show a negative direction to the household status of -0.756 and -0.049 to the depth of poverty, meaning that households with unmarried status have a higher probability of entering poverty compared to married/divorced households.

Capital Association							
	Model 1		Model 2				
Variable	Household Status		Depth of Poverty				
variable	Coefficient	Std.	Robust	Robust			
		Error	Cooeficient	Std. Error			
Bonding Capital	-0,061	0,081	-0,518	0,301			
Bridging capital	-0,121**	0.056	-0,193 *	0,463			
Linking capital	-0.048	0,086	-2,924	0,317			
Marital status	-0,756	0,576	-0,049	0,049			
Family members	-0,324***	0,104	-0,095 ***	0,256			
Family Head Education	-1,171***	0,292	-0,024 ***	0,083			
Area of Assets	-0,008***	0,002	-3,145 ***	9,259			
Work	-0,232	0,312	-0,094	0,088			
Constant	6,024***	2.101	0,054 **	0,013			
N	219		219				
Prob(LR statistic)	0,000		-				
McFadden R-Square	0,326		-				

 Table 2: Determinants of Household Status and Depth of Poverty and Relationship with the Social

 Capital Association

Description: \*\*\* Significant at the level of 1%. \*\* Significant at the level of 5%. \* Significant at the level of 15%.

Source: 2019 Questionnaire, processed

This happened because around 30 percent of the heads of poor households no longer worked or had not worked, so the family burden increased. This indirectly shows that in Lambu sub-district, the head of the household who does not work or has no work has a high probability of entering poverty compared to the head of a married/divorced status.

Furthermore, the number of household members has a negative relationship of -0.313 to household status and to poverty depth -0.095. This means that households that have a greater number of family members have a higher probability of increasing their welfare. All existing family members will be used to continue to be productive in the hopes of helping households out of poverty. Based on the results of the descriptive analysis it was found that the average family member of poor and non-poor households was only three people. The meaning is quite a bit so that the consumption needs are not so much. With a small number of household members, a portion of household income can be allocated to other matters such as investment in education, health, capital for business development for households, so that households have the opportunity to be more prosperous. This result is similar to the findings of Johannes (2009) which shows that there is a limited scale in social capital, where proportional numbers of household members will reduce poverty. If family members are used to joining in a heterogeneous social network, it is likely that it will have an impact on increasing experience, information and assistance obtained so that poor family can get out of poverty.

Then the education score of the head of the household has a negative relationship to household status -1,171 and to poverty depth -0,024. this shows that with the increase in household head education, namely a minimum of junior high school, the role of the status of poor households is getting better and also the probability for poorer households to get out of poverty is getting higher. These results are consistent with the research of Zhang et al. (2011); Yamin & Teguh (2016).

The broad asset variable also has a negative effect of -0.008 on the house-hold status and on the depth of poverty

#### JIEP-Vol. 19, No 2, November 2019 ISSN (P) 1412-2200 E-ISSN 2548-1851

of -3.145. This means that the wider the household assets eat the probability of households entering poverty is getting smaller and households with high assets tend to be far from poverty. These results are in line with the research of Hassan & Birungi (2011), also Yamin & Teguh (2016) research. While the employment variable does not have an impact on household welfare, both in household status and depth of poverty, this indicates that the work of the head of the household who is more dominant in the formal sector does not affect the improvement of household welfare. Theoretically, this can be proven, as stated by Chenery that the increase in per capita income (welfare) of society is determined by how much the value of production shifts or the number of workers from the subsistence (formal) sector to a more modern sector (Punzo, 2001). That way we can conclude that there is no influence of the employment variable on household welfare in the Lambu sub-district because the head of the household still works more in the formal sector (labor intensive).

## Two-way Causality Relationship Social Capital and Welfare Variables

We can see the results of estimations with TSLS estimators in Table 3 that the two-way causality relationship only occurs in bridging social capital, household status and depth of poverty. This means that the estimation of the two previous models states that social interaction between heterogeneous individuals or groups in society greatly determines household welfare. These networks are formed through participation in community activities. This becomes very important because, with the involvement of poor groups in a wider (heterogeneous) social network, positive experiences with different individuals and groups in the community will have a great influence on the poor (Coffe & Geys, 2007).

The effect of two-way causality on the household status on bridging capital is -0.882 and the depth of poverty on bridging capital is -0.036. This shows that the depth of poverty has declined or is getting closer to the poverty line. So the level of household welfare is increasing, so that participation in bridging can be more active. Then social capital bonding, bridging, and linking reinforce each other, this result is the same as the findings from Yamin & Teguh (2016).

Meanwhile marital status plays an important role in bridging capital, with coefficients that are negative. This means that the bridging ties of groups of unmarried households are higher than those in the married/divorced group. This proves that the unmarried community with a status that does not work or has not worked as previously stated has more free time to participate in activities such as religion, mutual cooperation, sports, and others. This is also done because most of the heads of households with unmarried status are more likely to be in the poor group so they need to merge into broader network groups to improve their level of welfare. While the heads of non-poor households spend more time in the rice fields to work.

Table 5. 1 wo-way causal relationship between wehate and social capital							
	Bondin	ig Capital	Bridgi	ng Capital	Modal Linking		
Variable	Coefficient	Coefficient	Coefficient	Coefficient	Koefisien	Koefisien	
	Model 1	Model 2	Model 1	Model 2	Model 1	Model 2	
Household status	-0.184	-	-0.882*	-	-0.198		
Depth of poverty	-	-0.004	-	-0.036**		0.002	
Bonding Capital	-	-	0.158*	0.151*	0.334***	0.336***	
Bridging capital	0.072*	0.061*	-	-	0.242***	0.248***	
Linking capital	0.244***	0.246***	0.388***	0.392***			
Marital status	0.242	0.254	-2.026***	-1.978***	0.386	0.414	
Family members	-0.066	-0.061	-0.006	-0.018	-0.056	-0.031	
Family Head Education	0.481*	0.486*	1.096***	1.041***	-0.278	-0.222	
Area of Assets	0.002*	0.002*	0.002	0.001	-0.002	-0.002	
Work	-0.018	-0.018	0.248	0.216	-0.092	-0.064	
Constant	11.837***	11.806***	0.876	1.081	7.901***	7.572***	
Ν	219	219	219	219	219	219	
Prob(F- statistic)	0.000	0.000	0.000	0.000	0.000	0.000	
R-Square	0.176	0.176	0.231	0.248	0.212	0.212	
Prob (Jarque-Bera)	0.428	0.437	0.536	0.367	0.409	0.370	
Keterangan : ***Signifikan pada taraf 1%. **Signifikan pada taraf 5%. *Signifikan pada taraf 15%.							

Table 3	Two-way	causal	relationshin	hetween	welfare	and	social	canital
Table 5.	I wo-way	causar	relationship	Detween	wenale	anu	social	capital

Description: \*\*\* Significant at the level of 1%. \*\* Significant at the level of 5%. \* Significant at the level of 15%.

Source: 2019 Questionnaire, processed

## 5. CONCLUSION, IMPLICATION, SUGGESTION, AND LIMITA-TIONS

The results showed that only bridging ties had an important role in efforts to improve household welfare, namely to keep households away from poverty and reduce the reach of poverty, meaning interaction between heterogeneous individuals in community associations such as mutual cooperation, religious activities, involvement in community organizations, farmer groups, fishermen, arts associations, sports, and others can help accelerate poverty alleviation in Lambu District. Woolcock & Narayan (2000)state that bonding and bridging bonds cannot be mutually inseparable in the fight against poverty, but the findings of this study are more directed at the findings of Coffe & Geys (2007) that bridging ties have a very important role to play in fully escaping poverty.

The insufficient social bonding and linking capital to increase household welfare are caused by the ineffectiveness of bonding networks, where there is only an exchange of information between homogeneous groups of people. Therefore, households that interact in a homogeneous community in Lambu District, causing the exchange of resources in the form of information, knowledge, and experience will tend to be limited (De Souza Briggs, 1998; Coffe & Geys, 2007). Then inappropriate management of policies will have an impact on people's skepticism towards the network of government bureaucracies (Pramoto, 2012; Allahdadi, 2011). This also causes vertical conflict (Trigilia, 2001; and Fine 2007 in Johannes, 2009). Nearly 25 percent of respondents answered that they did not get any access, space or assistance that had been shared by the government, this shows that there is still an uneven distribution of household groups. On the other hand, almost 39 percent of respondents answered that they disagreed with the government and private sector affiliations that jeopardized the sustainability of the ecosystem, pollution of the environment, life and livelihoods of the people in the Lambu subdistrict.

Then the increasing number of family members found fact will increase household welfare, because the number of family members is only limited to an average of three, then the allocation of work in the household will be more effective and not much to pay for consumption, the rest can be invested for other purposes, such as education, credit, business, and others. Then the higher the education, the greater the probability of people to be far from poverty and households with broader assets more likely to avoid poverty.

In addition, there is a two-way causality relationship between welfare variables with bridging social capital. That is, the decreasing depth of poverty or getting closer to the poverty line, the level of household welfare is increasing, so that the participation of households in bridging ties can be more active and of course social capital bonding, bridging and linking strengthen each other.

An important finding from this two-way causality relationship is that bridging participation in the group of households with unmarried status is higher than that of married/divorced households. This proves that the unmarried people who do not work or have no work have free time to participate in community activities. This is done because most of the heads of households with unmarried status are more likely to be in the poor group so they need to build interaction in a wider network of groups to improve their level of welfare. While the heads of non-poor households spend more time working and do not have much time to be involved in community service.

Awareness to open access to communication as widely as possible by poor households needs to be improved, poor households should not be isolated in a homogeneous environment or interaction. Productive resources such as knowledge, experience or funds will not be easily accessed by poor households if the interactions that occur in the community are only homogeneous interactions. The head of the household who has not been married to irregular income and is financing other family members must receive more attention from the government to help him improve his welfare. These productive resources certainly need to be facilitated by non-poor households and local government in community spaces, where community activities involve poor households and non-poor households to interact and produce spillover effects in the context of keeping the house away poor stairs from poverty. Therefore Øyen (2002) reveals that the problem of poverty not only educates poor households but also encourages non-poor households to play a role in completing poverty by opening productive accesses.

Interactions between homogeneous individuals should be bridged by bridging ties through productive and pro-active community activities. As stated by Woolcock & Narayan (2000), bonding and bridging bonds cannot be separated in an effort to improve household welfare. The link between bonding and bridging bonds in efforts to alleviate poverty should be supported by linking ties (government) by paying attention to the impact of policies produced by the heads of poor household groups. In an effort to alleviate poverty, the government does not rely solely on political economy access but needs to have a collective synergy, namely from all levels of society and local institutions that are formal and informal, where the government is a mediator.

## REFERENCES

- Allahdadi, F. (2011). Buiding Social Capital for Poverty Reduction in Rural Areas of Marvdasht, Iran. *Journal of American Science*, 7(6).
- Beugelsdijk, S., & Smulders, S. (2003). Bridging and Bonding Social Capital: Which type is Good for Economic Growth? In W. Arts, J. Hagenaars, & L. Halman (Eds.), The Cultural Diversity of European Unity: Findings, *Explanations* and Reflections from the European Values Study (pp. 119-145). Leiden: Koninklijke Brill.
- Bhandari, H. (2009). What Is Social Ccapital? A Comprehensive Review of The Concept. Asian Journal of Social Science, 37(3), 480–510.
- Cahyani, O. P., Sriwiyanto, H. S. J. N., Pratama, Y. P., & Samudro, B. R. (2015). Batu Nisan: Pola Pengrajin dan Korelasinya Terhadap Budaya (Studi Kasus Kampung Gondang Kelurahan

Manahan). Jurnal Ilmu Ekonomi Dan Pembangunan, 15(1), 94– 112.

- Central Bureau of Statistics. (2018). penduduk miskin Persentase kaupaten/kota menurut di Provinsi NTB 2014-2017. Retrieved December 28, 2018, from https://ntb.bps.go.id/dynamictabl e/2017/01/03/72/persentasependuduk-miskin-provinsi-ntbmenurut-periode-waktu-2012---2018.html
- Coffe, H., & Geys, B. (2007). Toward An Empirical Characterization of Bridging and Bonding Social Capital. *Nonprofit and Voluntary Sector Quarterly*, *36*(1), 121–139. Retrieved from https://doi.org/10.1177/08997640 06293181.
- De Souza Briggs, X. (1998). Brown Kids in White Suburbs: Housing Mobility and the Many Faces of Social Capital. *Housing Policy Debate*, 9(1), 177–221. Retrieved from http://dx.doi.org/10.1080/105114

82.1998.9521290.

- Dudwick, N., Kuehnast, K., Jones, V. N., & Woolcock, M. (2006). nalyzing social capital in context : a guide to using qualitative methods and data (English). Retrieved from http://documents.worldbank.org/c urated/en/601831468338476652/ Analyzing-social-capital-incontext-a-guide-to-usingqualitative-methods-and-data
- Firdaus. (2014). Perubahan Sosial Pasca Konflik (Studi di Kecamatan Lambu Kabupaten Bima). Universitas Negeri Makassar.
- Flora, C. B., & Thiboumery, A. (2005). Community Capitals: Poverty Reduction and Rural Development in Dry Areas.

JIEP-Vol. 19, No 2, November 2019 ISSN (P) 1412-2200 E-ISSN 2548-1851

Annals of Arid Zone, 45(3&4), 239–253.

- Gujarati, D. N., & C., P. dawn. (2012). Dasar-Dasar Ekonometrika. Buku 2. Jakarta: Salemba Empat.
- Hassan, R., & Birungi, P. (2011). Social Capital and Poverty in Uganda. *Development Southern Africa*, 28(1), 19–37. Retrieved from http://dx.doi.org/10.1080/037683

5X.2011.545168.

- Helliwell, J., & Putham, R. (1999). *Education and Social Capital* (No. NBER Working paper, 7121). Retrieved from http://www.nber.org/papers/w712 1.pdf.
- Johannes, T. A. (2009). Does Social Capital Determine Poverty ?Evidence From Cameroon Household Survey.
- Kusuma, U. A., Satria, D., & Manzilati, A. (2017). Modal Sosial dan Ekowisata: Studi Kasus di Bangsring Underwater, Kabupaten Banyuwangi. Jurnal Ilmu Ekonomi Dan Pembangunan, 17(2), 1–30.
- Nanga, M. (2006). Dampak Transfer Fiskal Terhadap Kemiskinan Di Indoneisa: Suatu Analisis Simulasi Kebijakan. Institut Pertanian Bogor.
- Øyen, E. (2002). Social Capital Formation: A Poverty Reducing Strategy?
- Pramoto, S. A. D. (2012). Pengaruh Modal Sosial Terhadap Kemiskinan Rumah Tangga. *JEJAK Journal of Economics and Policy*, 5(2), 139–147. Retrieved from

http://journal.unnes.ac.id/nju/inde x.php/jejak.

Punzo, L. F. (2001). Cycle, Growth and Structure Change : Theories and Emprical Evidence. London: Roudledge.

Singh, N., & Kori, P. (2016).

Understanding Social Capital. Social Science Spectrum, 2(4), 275–280.

- Sumodinigrat, G. (1999). *Pemberdayaan Masyarakat dan Jaringan Pengaman Sosial*. Jakarta: PT Gramedia Pustaka Utama.
- Sundram, K. (2011). Social Capital Formation and Poverty Alleviation: A Development Strategy. *Journal of Humanities and Social Sciences*, 2(2), 1–6.
- Todaro, M. P., & Smith., S. C. (2003). *Pembangunan Ekonomi di Dunia Ketiga, Jilid 1* (Edisi Kede). Jakarta: Erlangga.
- Trigilia, C. (2001). Social Capital and Local Development. *European Journal of Social Theory*, 4(4), 427–442.
- United Nations. (2015). *The Millenium Development Goals Report 2015*. Retrieved from https://www.un.org/millenniumg oals/2015\_MDG\_Report/pdf/MD G 2015 rev (July 1).pdf
- Van Bastelaer, T. (2000). Does Social Capital Facilitate The Poor's Access to Credit?: A Review of The Microeconomic Literature (No. 8). Retrieved from http://siteresources.worldbank.or g/INTSOCIALCAPITAL/Resour ces/Social-Capital-Initiative-WorkingPaper-series/SCI-WPS-08.pdf.
- Woolcock, M. (1998). Social Capital in The Theory and Practice: Reducing Poverty by Building Partnerships Between States, Market and Civil Society. Composed and Printed in The Workshops of UNESCO.
- Woolcock, M., & Narayan, D. (2000).
  Social Capital: Implications for Development Theory, Research, and Policy. *The World Bank Research Observer*, 15(2), 225– 249. Retrieved from

JIEP-Vol. 19, No 2, November 2019 ISSN (P) 1412-2200 E-ISSN 2548-1851

https://doi.org/10.1093/wbro/15.2 .225

- Yamin, S., & Teguh, D. (2016). Poverty Alleviation in Indonesia: The Missing Link of Social Capital. Jurnal Ekonomi Dan Pembangunan Indonesia, 17(1), 88–102. Retrieved from http://dx.doi.org/10.21002/jepi.v1 7il.656.
- Zhang, S., Anderson, S. G., & Zhan, M. (2011). The Differentiated Impact of Bridging and Bonding Social Capital on Economic Well-Being: An Individual Level Perspective. *The Journal of Sociology & Social Welfere*, 38(1), 119–142. Retrieved from https://scholarworks.wmich.edu/j ssw/vol38/iss1/7