CHAPTER-V

THE LEVEL OF SOCIAL CAPITAL AND COLLECTIVE ACTION

RELATIONSHIP BETWEEN THE LEVEL OF SOCIAL CAPITAL AND THE LEVEL OF COLLECTIVE ACTION BETWEEN FORM AL AND INFORMAL INSTITUTIONS IN BRINGING LOCAL DEVELOPMENT

Accountability and responsiveness between both institutions develop social capital. This ultimately results in bringing collective action. This chapter analyses the relationship between social capital in formal local government institutions and informal local governance institutions. The level of collective action for achieving local development depends mainly on the level of social capital in formal and informal institutions. There are two hypotheses in this study; 1, Higher the possibility of synergy between the informal institutions and formal institutions, higher will be the level of social capital. 2. Higher the level of social capital higher the level of collective action. In order to study the interaction between both institutions percentage were used and to explore the relationship between social capital and collective action statistical measure namely correlation was used.

The collective action depends on the level of social capital in formal local government institutions and informal local governance institutions. For assessing the level of social capital, it was classified under two heads namely accountability and responsiveness. Collective action is measured to find out the interaction between both institutions to assess the level of local development. Collective action is classified under three heads namely social collective action, economic collective action and political collective action. The levels of social capital and levels of collective action are presented hereunder;
Social collective action
Diagram -5.3

Economic collective action
Diagram -5.4

Political collective action
Diagram 5-6
Testing of hypothesis

In order to explore the relationship between social capital and collective action correlation measure was used

Table-5-1
Correlation between Social Capital and Collective Action in Formal and Informal Institutions

<table>
<thead>
<tr>
<th>Sl.no</th>
<th>Social capital</th>
<th>Collective action</th>
<th>r2</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Accountability</td>
<td>Social collective action</td>
<td>0.815</td>
</tr>
<tr>
<td>2</td>
<td>Accountability</td>
<td>Economic collective action</td>
<td>0.840</td>
</tr>
<tr>
<td>3</td>
<td>Accountability</td>
<td>Political collective action</td>
<td>0.827</td>
</tr>
<tr>
<td>4</td>
<td>Responsibility</td>
<td>Social collective action</td>
<td>0.748</td>
</tr>
<tr>
<td>5</td>
<td>Responsibility</td>
<td>Economic collective action</td>
<td>0.710</td>
</tr>
<tr>
<td>6</td>
<td>Responsibility</td>
<td>Political collective action</td>
<td>0.729</td>
</tr>
</tbody>
</table>

Source: Computed

The above table shows that high, correlation exists between accountability and social collective action, in formal and informal institutions; accountability and economic collective action in formal and informal institutions; accountability and political collective action in formal and informal institutions; responsibility and social collective action in formal and informal institutions; responsibility and economic collective action in formal and informal institutions; responsibility and political collective action in formal and informal institutions; while ranking the degree of relationship between the two types of social capital and three types of collective action in formal and informal institutions, accountability occupies first and responsibility occupies the second place.
Hence this shows that there exists a high positive relationship between both institutions. The analysis shows that collective action between formal local government and informal local governance institutions greatly depends upon the social capital between both institutions and hence high positive interaction exists between both institutions. Hence the hypothesis is proved as, 1. Higher the possibility of synergy between the informal institutions and formal institutions, higher will be the level of social capital. 2. Higher the level of social capital higher the level of collective action.

By adopting Putnam’s social capital, this study evaluated the social economic and political aspects and the extent of level of social capital and collective action. It examined how both institutions are performing to bring development, the decisions they are taking, the way developmental activities are reaching to the people. This study explores the relationship between social capital and collective action. The synergy between both institutions to bring collective action is influenced directly or indirectly by the social capital.
RELATIONSHIP BETWEEN SOCIAL CAPITAL AND COLLECTIVE ACTION

Diagram -5.7

IFLGIs \rightarrow Positive Interaction \rightarrow FLGIs

Social Capital

Develops

Accountability

Responsiveness

Brings

Social Collective Action

Economic Collective Action

Collective Action

Leads

Political Collective Action

Local Development
By adopting Putnam’s social capital, this study evaluated the social economic and political aspects and the extent of level of social capital and collective action. It examined how both institutions are performing to bring development, the decisions they are taking, the way developmental activities are reaching to the people. This study explores the relationship between social capital and collective action. The synergy between both institutions to bring collective action is influenced directly or indirectly by the social capital.

Accountability develops trust, reciprocity and participation between both institutions. Responsiveness on the other hand creates social support, communication, social cohesion, integrity, cooperation, social interaction, networking and proper decision making between both these institutions. This character on the whole brings to in collective actions such as Social collective action which the formal local government institutions and informal local governance institutions collectively provide social services like education, health and recreation and justice for the socially deprived groups such as scheduled caste, backward classes and women are provided. Economic collective action which the formal local government institutions and informal local governance institutions together increase output and makes changes in the technical and institutional arrangements thereby increasing income and reducing poverty. Political collective action which the formal local government institutions and informal local governance institutions deals with its own fundamental problems more effectively while responding to the changing political demands of the people for achieving local development. Hence social capital and collective action are interrelated.
The functioning of both institutions in the social, economic and political spheres has to be restructured to create an environment to function more collectively in the future. If the informal local governance institutions are provided with enough freedom they can make a difference in the life of the people by acting as a helping hand to formal institutions. The traditional structure preserves the tradition culture, humanity and this helps the formal institution to reduce poverty and make social inclusion possible.