WDR 2003 Study 1:

Associations, Participation and Government: Linking Local Communities and State Actors in Sustainable Rural Development

WDR 2003 Background Paper

By

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Abstract

In both industrial and developing countries, local associations and community groups have become increasingly important actors in environment and sustainable development. Recent research suggests that the level of connectedness or linkage across organizations and sectors has major impacts on the performance, inclusiveness and sustainability of such associations. Drawing on the results of a recent multi-country research project on associations and civil society, we suggest these linkages are fostered by the action of diverse social and political agents at broader scales. In marginal rural areas of developing countries, local government has a particularly critical role to play in fostering crosscutting linkages and enabling the participation of poor and vulnerable groups.
I. Introduction: Are Numerous Civic Associations Enough?

Central to the sustainable management of environment and development are institutions, ranging from international conventions and national policies and laws to local institutions, common-property resource regimes, civic initiatives, and social practices, customs and norms. Which factors enable or obstruct citizens in building the collective institutions appropriate for balanced, responsive and sustainable development, and are there identifiable policies, practices or initiatives that can assist the process of institutional coordination and organising for collective action? In other words, how can civic initiatives -- increasingly evident from the burgeoning number of civil society organisations (CSOs) in many countries -- and official programs work in harmony and partnership for the protection of the local environment, poverty reduction, and generally positive developmental outcomes?

In this paper we investigate two aspects from among this array of institutional issues: one, the conditions for successful initiatives by groups and associations at the local level, variously referred to as non-government organisations, community-based organisations, voluntary associations, civic associations, and local communities, with particular emphasis on rural and marginal rural areas; and two, the connectedness and collaboration across such groups, and between them and appropriate agencies of government. The second issue includes aspects of local state-society relations that are increasingly being seen as critical to the attainment of sustainable outcomes in, for example, the joint management of environmental resources, including forests, water, biodiversity, and watersheds, as well as in sustainable agriculture, integrated pest management and microfinance (Pretty and Ward 2001; Steinberg 2002).

The growing empirical literature on social capital suggests that, while social capital broadly consists of different “features of social organization such as networks,
norms and social trust that facilitate coordination and cooperation for mutual benefit”
(Putnam 1995), or of “a culture of trust and tolerance in which extensive networks of
voluntary associations emerge” (Inglehart 1997), what is important for the growth of
civil society is the crosscutting or bridging ties engendered among groups and
associations of people with different social, economic and ethnic backgrounds (such
as broad-based social movements, human rights organisations, ecumenical religious
groups, and so forth) than the bonding relationships typical of groups with similar
backgrounds (Uslaner and Dekker 2001). Bonding relationships are “inward looking
and tend to reinforce exclusive identities and homogenous groups. Examples…
include ethnic fraternal organisations, church-based women’s reading groups, and
fashionable country clubs” (Putnam 2000: 22). Bonding relationships are
characterised by both boundedness and exclusion, which can limit the building of
wider social relationships, collaborations and coalitions that are the basis of civil
society. For example, though caste, class or tribal groups may possess bonding
relationships in substantial measure, these relationships can often lead to the assertion
of narrow aspects of identity, neglecting broader ties with people of other
backgrounds, castes, or tribes (but see Rudolph’s comment below). There is thus the
possibility, in some contexts at least, of a trade-off between the strong, thick ties of
bonding and the weak, thin ties of crosscutting or bridging relations, a matter to which
we shall return.

This paper draws, in part, on a comparative research project\(^2\) that studied civil
society and associational participation in Europe, India, South Africa and the United
States, as well as on a forthcoming book of selected studies and conclusions (Prakash
and Selle 2003). There are many ways to assess the extent of civil society: the number
of active civil society organisations, the number of memberships, the intensity of
involvement (that is, the amount of time spent in volunteering or organisational activities). Another way to consider how civil society is functioning is through the links across membership organisations, for example the extent of coordinated activities, collaboration and “overlapping membership”. Overlapping memberships represent individuals who are members of multiple organisations and are consequently able to interact across multiple organisational contexts. As Robert Putnam’ extensive work on civic associations has shown, this can be a useful method to assess the level of crosscutting ties and linkages of trust and communication between organisations (Putnam 1993, 2000). Such interactions are an important means of creating connectedness between organisations, and thus helping to promote the goals of sustainable development across multiple sectors and arenas of activity.

Pretty and Ward (2001) estimate that, worldwide, in the last decade some 408,000 to 478,000 groups with around 8.2 to 14.3 million members have emerged, mostly in developing countries, in the areas of watershed, irrigation, microfinance, forest, and integrated pest management, as well as for farmer’s research. Though these figures are impressive, the authors note that the efficacy of such groups in providing successful environmental outcomes remains far from clear. Among the reasons for this they include the ambiguous nature of natural capital -- the goods and services provided by nature -- which comprise complex mixtures of public, “club” and private goods; market failure related to the lack of proper prices for environmental goods and services; and the erosion of traditional institutions, for example in the management of common property resources, in places such as in the semi-arid regions of India (Jodha 1986) or parts of Sub-Saharan Africa (Blaikie 1993). Pretty and Ward note that “The past decade has seen growing recognition of the effectiveness of such local groups and associations for sustainable environmental
and economic outcomes”; but they also remark “..whether groups progress toward maturity is likely to be related to the availability of social capital locally, but also to appropriate inputs from government and voluntary agencies” (Pretty and Ward 2001: 209-210).

It is difficult to argue that a simple proliferation in the number of organisations, whether voluntary agencies or rural groups, is enough to provide adequate and appropriate forms of collective action to ensure balanced and sustainable rural livelihood outcomes. For instance, the membership base of the groups may be relatively small, their membership may not be representative of the larger society, indeed, such organisational density may represent the insular, elitist or narrow interests engendered by the bonding relationships discussed above. Another way to consider the potential for institutionalised collective action and cooperation in a society is through the proportion of citizens that are members of associations or groups. Where this ratio is high, there are also likely to be larger numbers of individuals with multiple organisational memberships (along with the crosscutting linkages these represent). In this sense, high rates of associational participation can provide a useful proxy for high levels of social capital.

World Values Survey 1990-91 provided data for associational participation in most industrial and some developing countries. Data for selected countries, supplemented with an estimate from Chhibber’s recent study of India, is presented in table 1. The Nordic countries, the Netherlands and the United States demonstrate the highest rates of associational participation. There is some correlation of associational participation rates with subjective levels of social trust, as reported in a subsequent World Values Survey for 1995-97. Virtually the same countries with the highest rates of associational participation reported the highest number of individuals who are
willing to trust “most other people” (Inglehart 1999). As will be evident, there also appears to be a strong correlation with levels of real income per capita and human development. However, systematic cross-country studies have found little correlation between levels of associational participation, social trust, and measures of trust in institutions, such as trust in government (Newton 1998; Foley and Edwards 1999). This appears to confirm the observations of many analysts that the actual relationship between trust and social relationships is subject to complex factors that it is hard, if not counterproductive, to encapsulate in a single generalized variable (Moore 1999; Seligman 1997; Hardin 1993; Gambetta 1988).

<table>
<thead>
<tr>
<th>Country</th>
<th>Participation rate</th>
</tr>
</thead>
<tbody>
<tr>
<td>Iceland</td>
<td>90</td>
</tr>
<tr>
<td>Sweden</td>
<td>85</td>
</tr>
<tr>
<td>Netherlands</td>
<td>84</td>
</tr>
<tr>
<td>Norway</td>
<td>82</td>
</tr>
<tr>
<td>Denmark</td>
<td>81</td>
</tr>
<tr>
<td>Finland</td>
<td>77</td>
</tr>
<tr>
<td>United States</td>
<td>71</td>
</tr>
<tr>
<td>South Korea</td>
<td>71</td>
</tr>
<tr>
<td>Germany</td>
<td>67</td>
</tr>
<tr>
<td>Canada</td>
<td>64</td>
</tr>
<tr>
<td>Belgium</td>
<td>57</td>
</tr>
<tr>
<td>Great Britain</td>
<td>52</td>
</tr>
<tr>
<td>Hungary</td>
<td>50</td>
</tr>
<tr>
<td>Ireland</td>
<td>49</td>
</tr>
<tr>
<td>Brazil</td>
<td>43</td>
</tr>
<tr>
<td>France</td>
<td>38</td>
</tr>
<tr>
<td>Mexico</td>
<td>36</td>
</tr>
<tr>
<td>Italy</td>
<td>33</td>
</tr>
<tr>
<td>Japan</td>
<td>30</td>
</tr>
<tr>
<td>Rumania</td>
<td>30</td>
</tr>
<tr>
<td>Spain</td>
<td>23</td>
</tr>
<tr>
<td>India</td>
<td>13*</td>
</tr>
</tbody>
</table>

*Figure for India from Chhibber 1999.
The rate for associational participation in India is the lowest among all countries in the table. It should be noted, however, that there is great internal variation within India in this respect. Blomkvist (2001) provides detailed data for Indian states over a comparable period (see table 2). In the state of Kerala, which has consistently shown the highest levels of literacy and human development of all Indian states, 50% of the population was member of at least one association. In Uttar Pradesh, a state that usually ranks near the bottom among Indian states in terms of income, literacy and human development, only 4% reported membership in an association. Moreover, the data demonstrate little or no correlation between participation and social trust on the one hand, and income and social indicators on the other. Some of the best performing states in terms of income per capita and education levels (such as Gujarat) have relatively low levels of associational participation, while the poorest states with very low levels of literacy (such as Orissa) show significantly high levels of social trust.

Table 2: Associational Participation and Trust in Five Indian states

<table>
<thead>
<tr>
<th>State</th>
<th>Membership in At Least One Association (%)</th>
<th>Trust in “Other Indians”(%)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Kerala</td>
<td>50</td>
<td>32</td>
</tr>
<tr>
<td>Orissa</td>
<td>46</td>
<td>50</td>
</tr>
<tr>
<td>Gujarat</td>
<td>32</td>
<td>62</td>
</tr>
<tr>
<td>Uttar Pradesh</td>
<td>4</td>
<td>75</td>
</tr>
<tr>
<td>West Bengal</td>
<td>21</td>
<td>34</td>
</tr>
<tr>
<td><strong>Average</strong></td>
<td><strong>31</strong></td>
<td><strong>51</strong></td>
</tr>
</tbody>
</table>

Source: Blomkvist 2001

Recent commentators have questioned the conceptual basis of surveys that gather membership data exclusively for formal associations, contending that India has vibrant informal and traditional associations which provide the context for the greater part of associational life. For instance, Blomkvist (2001) advises caution in accepting the idea that modern or formal associations are more efficacious than informal
networks in providing channels for democratic participation and advancement in India. Varshney (2001), in a detailed empirical study of Hindu-Muslim violence in India, demonstrates that such violence has escalated and become chronic precisely in areas where there is an absence of crosscutting ties and bridging relations between the two religious groups, whether maintained by formal associations or informal networks.

Rudolph (1999, 2003) criticises studies by Chhibber (1999) and others because they construct “an exclusivist and formalistic understanding of associations”, conditions which “...are uncommon in India”. She traces the idea of associationalism within the evolution of the concept of civil society in political theory, distinguishing between various categorisations of associations: political and non-political, deliberative and interest-based, egalitarian and hierarchical, voluntary and ascriptive. She argues that caste and traditional associations in India cannot be viewed as ascriptive or hierarchical organizations, for since the 19th century and earlier caste has self-transformed “its internal meaning and external standing”. Local castes joined with other like castes to construct self-help associations, or ‘paracommunities’, which became vehicles for social reform and political participation (Rudolph and Rudolph 1967). In this sense, membership of such associations is not forced or involuntary because “Caste associations are intentional associations. The adjective conveys that those who participate in them have chosen their ascriptive identity. Caste associations are very much like ethnic groups in America. The Polish, German, Irish and Latino clubs and associations in all major cities are made up of members who have chosen to identify with them. Designating such clubs and organizations intentional associations challenges the ascribed–voluntary dichotomy, opening space for a third, hybrid category” (Rudolph 2003). Rudolph argues that the essential task for analysts
of associational democracy and social capital is to specify what types of associations are likely to generate habits of mutual trust and collaboration.

Not all associations are the same; not all have the capacity to generate mutuality and cooperation. Those that are able to generate internal solidarity may succeed in ways that make members feel sympathy only with each other and insulate them from civic others. …Associational life, in other words, can make members appreciate each other even while making them self-regarding and parochial. It can generate a form of group selfishness that results in ethnic conflict and civil war as in Bosnia and Bihar. What are the conditions and mechanisms that translate the social capital generated by associational life from inside to outside and that makes social capital available for strengthening the pursuit of the public good? (Rudolph 2003)

These reflections on associationalism in India are central to the themes of this paper. Local institutions in rural areas of many developing countries, whether in contexts of addressing inter-ethnic strife or of rural environmental management, are often based on informal networks derived from kith-and-kin, caste, settlement or other traditional/ascribed groupings. We know that informal groups can possess institutional resources for collective action tasks, such as the management of local common-property resources, and that they represent the embedded social capital of a community as much as formal associations. There is considerable evidence that under the right conditions associations based on informal, customary or “everyday” networks can manage local environmental resources in a way that is sustainable and able to distribute benefits equitably and fairly within the community. ⁹

We suggest the question is not whether such groups and networks qualify for a formalist definition of associations. Instead, it is about the kinds of relationships – insular or cooperative, parochial or inclusive, self-regarding or civic – that are engendered through different kinds of associations, and how these relationships do or do not generate resources of mutuality, cooperation and trust to lower the transaction costs of collective action for the sustainable management of local resources. The discussion above suggests that the potential for such collective action by community organisations and groups is subject to both qualitative as well as quantitative factors.
The sheer presence of many associations, though they may represent assets for particular social groups, may yet not be enough to achieve wider socially and environmentally sustainable outcomes.\textsuperscript{10}

A related issue is that the forms and models of civil society prevalent in different parts of the world at different times have shared little in common. For instance, in post-colonial countries and in parts of Eastern Europe since the late 1970s, civil society has often taken an oppositional stance to the state – acting primarily as a means to limit the powers of the state against society. So, too, the “liberation theology” of 1970s Latin America was very different from the sphere of social autonomy and democratisation advanced by the German Greens over the same period, and both of these are different from the “resistance against the state” version of 1980s’ Eastern Europe, or Robert Putnam’s benign model of cooperative, trusting citizens in the 1990s.\textsuperscript{11} However, scholars often seem unaware of civil societies other than those of their own conception – as if theirs were the only plausible or practical kind (Rudolph 2003). Commenting on this plurality of conceptions, Edwards and Foley write

Considerable overlap in the sorts of social actors identified as central to “civil society” among these conceptions gives the notion an air of universality – suggesting that, if only we could come to agreement about just who and what is included under its umbrella, we could achieve a comprehensive theory of state-society relations. Yes the real purchase of the notion of civil society today is polemical and normative and tied closely to the debates that currently shape it (2001: 2-3).

The case studies we have selected for this paper are, for the most part, from remote rural areas of three countries -- India, Norway and Sweden. As we have seen, India has very low levels of participation (at least in formal associations), while Norway and Sweden have among the highest rates of associational participation and social trust among all countries in the World Values Surveys. These countries vary widely across other aspects of economic and social achievement as well. While these
comparisons help us derive insights into associational participation and trust under very different social, economic and political conditions, perhaps they also serve to illuminate some aspects of the notions of civil society and social capital themselves.

This paper has five parts. In part two we discuss some conceptual and methodological issues. Part three presents the case studies and data. Part four discusses related implications, and part five provides concluding remarks.
II. Local Associations, Social Capital and the State

If civil society is most usually understood as the “capacity of a society to organize itself without being organized by the state” (Calhoun 1993: 391), for Michael Walzer the enduring paradox of the civil society argument is that a democratic civil society seems to require a democratic state, and a strong civil society seems to require a strong and responsive state (Walzer 1992: 102-3). As some commentators have suggested in response to the Neo-Tocquevillean discourse on micro-level social and cultural factors as the basis of a strong civil society and a responsive democracy, “the role that organized groups in civil society will play depends crucially on the larger political setting” (Edwards, Foley and Diani 2001:18). For instance, John and Chathukulam describe how in Kerala, which already possessed dense networks of pre-existing associations, recent state action for a participatory planning exercise facilitated and made space for a phenomenal rise in “micro-level” associations, as well as creating crosscutting linkages through state agencies (John and Chathukulam 2002).

Academically, the debate on whether social and cultural factors or political and economic influences have a greater role in shaping civic engagement is long-enduring, and will continue (Skocpol and Fiorina 1999; Tarrow 1996; Prakash and Selle 2003). Significantly, however, a recent World Bank study on local-level institutions suggested a role for local government in facilitating and creating a supportive environment for the emergence of local associations, as well as in ensuring that the poor are able to participate in them (Grootaert 2001).

There are other factors that make it appropriate to consider the influence of the state in facilitating crosscutting linkages, particularly in marginal (and often remote) rural areas. In such areas population density as well as organisational density tend to
be low, due in part to historically low carrying capacities, leading to a lack of the dense associational ties and overlapping memberships that foster linkages across groups. However, such areas often have other sources of crosscutting linkage: ties based on trade, traditional credit institutions, marriage and other kinship ties, common-property resource regimes involving multiple communities and “nested enterprises” (Ostrom 1990; McGinnis and Ostrom 1993), or customary relations along the migration routes of nomadic communities. Traditional social institutions provide a substitute for the lack of formal associations, as well as embed aspects of traditional knowledge about environmental management (Duffield, et al 1998); but such institutions are thin and declining along with the erosion of traditional lifestyles in most areas (Jodha 1986, 1993; Prakash 1998b). As a consequence, local natural resource regimes in such areas are increasingly comprised of complex mixes of traditional arrangements and the recent interventions of modern states (Young 1995).

Under such conditions, local government (though its reach across such areas can be limited too) forms a potentially important source of crosscutting linkage across social groups. Government officials in the course of their work must maintain links with a wider cross-section of groups from different sectors than members of local organizations. Such officials often have access to forums, funding and facilities that can act as a focus for creating linkages between local or village-level organisations and civil society organisations working at larger scales. We return to this matter in section 4.

We use a combination of qualitative and quantitative approaches to assess data and interrelationships relating to local organisations, membership, and other aspects of social capital. When dealing with multidimensional issues such as poverty, environment, or local institutions, many researchers have noted that qualitative
analysis helps focus research through participant observation and can allow ‘surprises’ to be incorporated into the data gathering process (Rao 2002). By helping gain insight into subjective and normative aspect of behaviour, qualitative analysis helps researchers appreciate actors’ subjective view of the issues as well as to understand how things actually work on the ground (Chambers 1997). Because it provides a way to verify statistical assumptions and causal hypotheses, qualitative analysis is increasingly seen as an essential complement of the quantitative aspect of research (Dréze 2002; Learner 1983).

Qualitative and quantitative methods have been used in tandem to cross-check and verify data, such as through the construction of specialised surveys (Rao 2002; Bliss and Stern 1982). We have already seen how civil society, associational participation and trust have important qualitative dimensions. In relation to associational membership, apart from the nature of the relations engendered by participation (internal-bonding or external-bridging; civic or insular; egalitarian or hierarchic) qualitative aspects can include the content of groups and organizations. The Mafia, the IRA, or the FARC in Columbia may well have strong bonding relationships and high internal trustworthiness (if often maintained at the point of a gun) but their purposes are undemocratic, anti-social and violent. External ties or bridging relationships between these organisations hardly make for a better civil society; indeed, they will only make matters worse. Not all aspects of organisational membership or social capital are positive or beneficial (Portes and Landolt 1996).

Trust has critical qualitative dimensions as well. The “thick” trust generated from small, face-to-face group interactions has quite different implications for institutions and networks from the generalised social habit of trusting civic others, or “thin” trust. The latter variety seems to have similarities with Granovetter’s seminal
analysis of the value of “weak” ties in providing access to information (Granovetter 1973). Civic or “thin” trust has also been linked to levels of income per capita and education (Inglehart 1999). However, detailed data comparisons for some developing and industrial countries in the World Values Survey reveal a significantly different picture. While individuals with tertiary education displayed the highest social trust in both developing and industrial countries, in the developing countries the variation between those with lower and highest levels of education was small to insignificant (4% to 7%). On the other hand, the industrial country populations displayed significant variation in trust between lower and higher levels of education (11% to 22%).

Inglehart argues that in developing countries people with higher education constitute a very small minority. The predominant majority of people in these societies have life experiences that have not conditioned them to assume that most strangers can be trusted. Under such conditions, people with higher education do not experience substantially higher levels of civic trust in most of their interactions. Higher education is thus associated with high levels of social trust primarily if one lives in a relatively secure and well educated society. Despite the correlation between levels of education and trust, there is little basis to assume that education levels per se are the causal or driving factor for trust (Inglehart 1999: 90-91). Indeed, the correlation seems driven by the relational and interactive dynamics of trust rather than by any specific attributes of individuals.

We explore aspects of participation, trust and associations along three interrelated dimensions:

*Scale or scope*: This refers to the spatial ambit of relations and associational participation. The scale or scope of interaction can imply qualitative differences in
trust and ties, from the bonding relationships and the specific, internally focused, “thick” trust of small groups to the bridging relationships and civic, inclusive, “thin” trust of civil society. Variations in scale imply changes in the mechanisms for the action of social capital within and across networks, associations and groups. Small-scale bonding relationships are clearly more typical of rural contexts than broader civic linkages (though this varies across countries and social contexts). In this study we focus at the meso-level, between the micro-level of settlement and village and the macro-level of nation-state and society. Such a scale seems most appropriate for exploring the crosscutting ties between associations and their linkages with local government that are the main theme of this paper.

*Embeddedness:* This refers both to the situation of social capital and the nature of relationships. For instance, bonding relationships are more deeply embedded in specific groups and networks than the bridging variant. Will the inwardly-focused, bonding relationships typical of marginal rural areas restrict the growth of the externally-focused, crosscutting linkages necessary for the growth of markets, or (as appears to be the case) are these forms able to coexist within the same community? Because forms of social capital are embedded in different social relations and institutions, embeddedness has implications for the fungibility, or transferability, of social capital from one context to another.

*Exclusion:* This describes the boundaries of groups and networks. All groups have boundaries that include certain people and exclude others, for “reputation cannot arise in an open structure, and collective sanctions that would ensure trustworthiness cannot be applied” (Coleman 1988: S107-S108). Exclusion is related to the “closure” of networks and groups necessary for the development of trust and related norms. This dimension is particularly and self-evidently central to issues of poverty, vulnerability
and social exclusion. It is also relevant to certain aspects of access to public goods and to the distribution of benefits from formal institutions.

We now turn to the case studies.
III. The Case Studies

This section presents four case studies from three countries. All the studies are situated in marginal rural environments. While the countries (India, Norway and Sweden) vary widely in terms of development indicators, each study concerns an area where population density, and most aspects of environmental carrying capacity, are lower than the national average or for the “mainstream” environments of that country. The studies are taken, for the most part, from a project conducted by the authors over 1999-2001 (see note 2) and from a forthcoming book (Prakash and Selle 2003). Each was selected because it describes aspects of local associations, crosscutting relations and local government with clarity and originality. None of the studies in the project contradict or diverge substantially from the basic findings reported here.

A. Mountain

The first case study is from a single hamlet in Tehri District, in the state of Uttaranchal in the Indian Himalaya. The study describes changes in social capital with the maturity of a village forest managing institution over 1987-92 based on participant observation (Prakash 1998a). It is an exception among this set of studies with its exclusively micro-level focus, and is included to provide details of the accumulation and investment of local social capital as well as related responses to external intervention.

Villagers of P. (we refer it to the village as such to protect the privacy of the individuals involved) number 32 households, mostly mountains farmers who belong to two upper hill castes. Apart from farming most households possess some livestock, mostly cattle, water buffalo and a few goats. Land holding is unequal in the village but all possess some land, and poverty is not as widespread as in some neighbouring settlements. Some families supplement their farm incomes with shop keeping, trade,
or the renting of mules to take local produce to market. A variety of crops are grown throughout the year, and over the period of this study potatoes and green peas proved to be particularly popular cash crops.

The hamlet is situated at 1,600 metres in an area of rich natural forests of oak, pine and fir. Most of these forests are owned and managed by the official forest department, and grazing and removal of timber is not allowed (though some forest boundaries are disputed by the villagers, apparently with good cause). In 1987, most cattle from the village were taken for grazing to degraded forest and pasture lands neighbouring the village, most of which were also under the legal control of government. At the time, grazing by local residents was permitted on these lands.  

Earlier instances of collective action with neighbouring settlements included the construction and maintenance of an earthen irrigation channel that enabled the cultivation of paddy. However, an ill-designed local government initiative to line the channel with concrete caused damage to the watercourse and made it disappear underground.  

In 1987 an innovative official in the local government proposed that (in keeping with a similar initiative in a neighbouring mountainous region) title to some 10 hectares of degraded forest land being used for grazing be turned over to local villages for maintenance and afforestation. The villagers would need to elect a committee to conduct and oversee this process. All provision of inputs and distribution of benefits was to be decided by this committee and approved by a general body consisting of all villagers, men and women. Legal title to this land could not be transferred to other parties.  

Lubricated by the pre-existing stock of institutional assets and social capital, this village institution came into being in a matter of days. The initial regime was
based on precedent and hierarchy, with senior villagers taking an active part in mobilising support within the village. This regime included equal provision of labour for afforestation from each household\(^\text{19}\) and a ban on withdrawal of timber and fodder over the first five years. Each household could, however, access the forest to harvest grass annually after the rainy season. Broad-leaved, fodder yielding tree species were identified for plantation and one of the villagers offered land for a nursery.

As work progressed, it became evident that there were critical shortfalls in this regime. Villagers living closest to the afforested area brought cattle to graze on it, attacking in the process the watchman appointed to protect it. The committee, which had been charged with the power to punish such transgressions, overlooked the offences in the belief that punishing such minor offence would lead to a lack of cooperation and unity. A more serious problem related to the salary for the watchman, which formed the only monetary contribution expected of each household. By 1989-90, some households had stopped paying their contributions, until one villager offered to pay the entire amount in exchange for exclusive private access to all benefits from the forest for a period of five years. A minority of villagers at a general body meeting discussed and accepted this proposal.

This agreement triggered a remarkable series of events. Some villagers disputed the legitimacy of this arrangement. Another general meeting was called with a majority of villagers present. Prior to the meeting, an enterprising villager went to each household and persuaded the villagers to pay the contributions they owed. At the second meeting, a majority deemed the earlier decision illegitimate and revoked it. This turn of events caused some ill-feeling and disagreement in the community, but these have been resolved over the years.
Details of the evolution of this village forest management institution are outlined in table 3. The successive norms of fairness adopted with respect to the distribution of benefit and burden and related forms of investment of social capital are described in columns two and three, respectively. “Priority” refers to the principle of distribution in accordance with rank, station, proximity or other external factors (Young 1993; Thompson 1993), which effectively formed the distribution regime over the initial years of the institution. This yielded, through an individual’s bargaining for control of the entire resource (his threat to withdraw from the community when this arrangement was revoked did not prove credible), finally to the more robust equilibrium of a consensus based on parity or equality in distribution and the strong enforcement of common rules, both of which seemed to reflect the community’s salient, “common-sense” conception of fairness (Elster 1992).

Table 3: Regimes of Forest Management in a Himalayan Village

<table>
<thead>
<tr>
<th>Institutional Type</th>
<th>Norm of Fairness</th>
<th>Investment of Social Capital</th>
<th>Group Attributes</th>
</tr>
</thead>
<tbody>
<tr>
<td>1.</td>
<td>Priority (by rank and station)</td>
<td>Selection from precedent</td>
<td>Shared beliefs, asymmetric interests</td>
</tr>
<tr>
<td>2.</td>
<td>Proportionality (to inputs; equity)</td>
<td>Bargaining &amp; (credible) threat</td>
<td>Heterogeneous beliefs &amp; interests</td>
</tr>
<tr>
<td>3.</td>
<td>Parity (strong equality)</td>
<td>Coalition-building</td>
<td>Homogeneous beliefs &amp; interests</td>
</tr>
<tr>
<td>4.</td>
<td>Externally prescribed</td>
<td>Ineffective</td>
<td>--</td>
</tr>
</tbody>
</table>

*From Prakash (1998a; 2002)*
In an analysis of rural groups and associations working on environment and sustainable development issues, Pretty and Ward recently suggest that most such groups evolve in this way, from initially “looking back” to old realities and precedents through “looking inward” and adjusting to change, and thence to forward-looking, dynamic equilibria based on critical reflection about the value of groups and collective action that comes with maturity (Pretty and Ward 2001: 217-20).

We conclude this study with a final comment on the investment of social capital by local groups and institutions. The study suggests that the major part of the local community’s social capital was invested in negotiating appropriate forms of distribution for benefits and burdens. What form this process of negotiation takes will depend vitally on the social and institutional context of the community involved; clearly, it does not always progress in the way described here. However, while this is so, to the extent external agents such as donors and officials prescribe the principle of distribution to be adopted, the local community’s stock of social capital will not be invested in negotiation and decision-making (Prakash 2002). As other observers have suggested, this can mean that over time the community’s fund of social capital will become ineffective (Ostrom 1990, 1995; Chambers, et al 1989). We return to this issue in the next part of this paper.

**B. Fjord**

The second study is from Fjordend and Volda, one a small and isolated and the other a medium-sized community in Volda municipality of Western Norway. It is based on an earlier ethnographic study of organizational life (1967-69) in Volda municipality as well as a recent restudy (Caulkins 2003).
Norway has been characterized as an “organisational society” having a high density of voluntary organisations and high rates of membership and participation (Selle 1996), as well as a society with a strong history of cooperation between voluntary associations and the state (Kuhnle and Selle 1990). Caulkins investigated whether this high organisational density actually built civic engagement and crosscutting linkages through overlapping memberships, arguing that making “the leap from density of organizations or memberships to a generalized level of trust is inappropriate on several counts” (Caulkins 2003). First, this approach assumes, rather than demonstrates a connection, between the two variables; second, its focus on the characteristics of individuals acquired through social networks says little about group-level measures of the production of social capital or trust.

Caulkins uses an innovative method for distinguishing crosscutting linkage. Rather than base his information on personal interviews alone, he obtained membership and participation data from each of 160 local organisations, which he then supplemented with personal interviews. In Fjordend, he found 89 households with 213 residents, who had 116 memberships in 18 different voluntary organisations, six of which were purely local and had overlapping memberships. Volda had 4,373 residents, 2,693 of whom held 5,444 local organisational memberships, with nearly 29% of the women and 20% of the men belonging to more than one organisation.

An organisational network was constructed from this and other data for the municipality. In such a network, two organisations can be considered to have links the more they share members. A field of 160 organisations, all of which are interconnected, can be considered a single closed network. On the other hand, there can be cleavages in the network, so that several clusters of organisations related by overlapping ties are not connected to each other. Organisations with a large number of
members in common will cluster, while those with no members in common are isolates. Isolates provide no crosscutting ties, but clusters are potential sites for such ties depending on the ideological focus of the constituent organisations. If the organisational clusters are composed of ideologically heterogeneous organisations (for instance, if members of two opposing political parties are also members of the same local association) then crosscutting ties exist; however, ideologically homogeneous clusters are unlikely to produce the crosscutting relations that lead to the civic virtues of bridging social capital. Caulkins poses two questions for analysis:

1. Do organisations cluster through overlapping memberships?
2. Are the clustered organisations diverse or homogenous in their values and ideology?

Hierarchical cluster analysis for the network of 160 organisations reveals an interesting picture of associational life in Volda municipality. The smaller community, Fjordend, consisted of a single organisational cluster composed of Christian organisations with links to the Christian People’s Party (the dominant political party in the region). Only nine people in Fjordend were members of organisations outside this cluster with centres in other parts of the municipality. These individuals were primarily those who chose ideologies other than pietistic Christianity; they were members of other political parties. They thus formed the organisational isolates of the Fjordend community. Caulkins suggests that if members of the Socialist or Labour parties in Fjordend were also members of the local Public Health Association (the largest of the local associations with 27 members) there would be some crosscutting relationships between the “core” and “marginal” residents of Fjordend. However, he notes that such crosscutting ties tend not to occur in any of the smaller communities in the municipality.
A similar analysis for the larger community, Volda, revealed a more complex set of 12 organisational clusters formed of a total of 41 membership organisations. With small exceptions, these formed isolate clusters rather than possessing dense crosscutting linkage. Table 4 provides a list of organisational clusters in Volda by decreasing size of membership. Apart from the major clusters, the table also shows several small and specialised isolate organisations. In terms of membership size, these organisations account for a mere 701 memberships, less than a third of the 2,146 organisational memberships in Volda. This gives an idea of the dominance of organisational clusters and their ideological foci in the life of the community. Caulkins’ study suggests that the search for bridging social capital and crosscutting ties in overlapping membership must end in disappointment.

Table 4: Organizational Clusters in Central Volda

<table>
<thead>
<tr>
<th>Type or focus of organizations in cluster</th>
<th>Organizations in cluster</th>
<th>Members in cluster</th>
</tr>
</thead>
<tbody>
<tr>
<td>1  Liberal Party, culture, Nynorsk, homemakers</td>
<td>9</td>
<td>1084</td>
</tr>
<tr>
<td>2  Christian Peoples Party, missionary, temperance</td>
<td>6</td>
<td>303</td>
</tr>
<tr>
<td>3  Hunting &amp; fishing</td>
<td>2</td>
<td>182</td>
</tr>
<tr>
<td>4  Conservative Party, business</td>
<td>3</td>
<td>153</td>
</tr>
<tr>
<td>5  Center Party, farm associations</td>
<td>4</td>
<td>97</td>
</tr>
<tr>
<td>6  Foreign mission, service</td>
<td>4</td>
<td>75</td>
</tr>
<tr>
<td>7  Public health, household</td>
<td>2</td>
<td>62</td>
</tr>
<tr>
<td>8  Teachers’ professional association</td>
<td>2</td>
<td>57</td>
</tr>
<tr>
<td>9  Christian missions, youth</td>
<td>3</td>
<td>32</td>
</tr>
<tr>
<td>10 Mission &amp; religious music</td>
<td>2</td>
<td>28</td>
</tr>
<tr>
<td>11 Socialist Party, track club</td>
<td>2</td>
<td>8</td>
</tr>
<tr>
<td>12 Youth mission</td>
<td>2</td>
<td>7</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>41</strong></td>
<td><strong>2,146</strong></td>
</tr>
</tbody>
</table>

*Source: Caulkins (2003).*
Where do the civic linkages and cooperation that are evident in Norwegian society come from? Caulkins’ observations suggest that the answer lies in the relations between voluntary organisations and local government. When representatives of Volda’s organisations met with local officials to discuss their participation in local projects, such as for heritage, conservation or recreational activities, reasonable efforts were made by the officials to consider each group’s views save for the most outlandish and impractical. At such collective discussions, government representatives have come routinely to rely on voluntary organisations for information, advice and feedback, to contract with them for provision of services, and to ensure that all local organisations are represented, no matter how marginal or remote. When requests are made by local associations for funding, most reasonable requests are routinely honoured and only very large or very controversial applications turned down, even though the amounts concerned are quite small, ranging from around 50 to 150 dollars. The same is true for requests made to the local bank. These application are arguably as much for building legitimacy as for funds.

At the same time, the Norwegian voluntary sector has become more professional, specialized, project-driven, and more connected to state and business functions (Selle 1996). These manifold processes tie organisational society in a web of tight relationships or “structures of cooperation” that form sites for the development of crosscutting networks and civic forms of social capital. In conclusion it should be noted that organisational life in Volda appears to be flourishing, in contrast to its reported decline in many industrial countries. With roughly the same population as in 1968, the municipality now has over twice as many voluntary organisations, though active participation seems to be declining in step with greater professionalisation.
C. Desert

The third study is of 60 villages in the arid state of Rajasthan, in Western India. Krishna (2003), a former government official of the state, is well conversant with both development programmes and local politics in this frequently drought-prone area. He studies the correlation between development performance and various factors of social capital to discover why certain villages consistently perform better than others.

All 60 villages situated across 5 districts had virtually the same development programmes initiated and run by the state government over the period of the study (the late 1990s). Krishna creates an index of development performance for these villages based on figures for their achievement in four areas: a. livelihood stability (better agricultural output, soil and water conservation, pasture development); b. poverty reduction (based on figures from the main official programme, IRDP, intended to provide assets and training to the poor); c. employment generation, mainly through state-sponsored employment relief programmes; and d. health, education and water supply services which are critical to survival in this region.

This development index is used to compare alternate explanations for development performance. First, the effect of six institutionalist/structuralist explanations is investigated. These are: i. distance from markets and government offices; ii. access to infrastructure for transport, communications, electricity and water supply; iii. literacy levels; followed by two indicators of the relative need for collective action, viz., iv. extent of unirrigated land; and v. rates of poverty; and vi. an indicator of caste homogeneity for each village population.

Second, a social capital index is developed for each village, based on participation in informal networks, collective action, trust, reciprocity and solidarity.
with local networks. Krishna argues that membership in formal organisations is a proxy indicator for social capital in certain contexts and not in others. Density of formal organisations is a particularly inappropriate indicator for these villages because there are hardly any formal voluntary organisations in the area. Most existing local organisations have been set up to service and accompany state-run development initiatives, such as the joint forest management programme, welfare programmes for women and youth, etc. The social capital indicators constructed display a high level of correlation with each other, revealing certain villages that score highly on most or all of these aspects of participation, trust, etc, while other villages produce low scores for most of them.

Regression analysis shows none of the institutionalist factors effectively explains development performance except for literacy, which shows only a weak correlation with development performance. When the social capital indices are added to literacy the correlation improves significantly, from 0.12 to 0.28. Social capital and literacy evidently explain some part of the reasons for the differential development performance of these villages.

Krishna then develops a further index, based on what he terms “agency”, after Berman (1997). Berman suggests that dense social networks and high social capital can create organisations “primarily along group (and class) lines rather than across them”, that “bonding” social capital does not necessarily lead to crosscutting ties (an argument that seems to resemble Caulkins’ description in the previous case study), and that what matters is the nature of mediating links between associations and wider society. Krishna contends that in the context of these villages, social capital seen as the presence of local networks and associated norms represents “a propensity for mutually beneficial collective action. But potential needs to be activated…Local-level
resources, however plentiful, need to be marshalled strategically and directed toward incentives available within the broader institutional environments of state and markets” (Krishna 2003).

Six variables are constructed to provide an index of “agency”, which resembles aspects of crosscutting ties but across hierarchical networks and scales (resembling what Woolcock 1998 terms “linking” social capital). The agency variables most appropriate for the social and organisational context of the study villages were:

1. Strength of caste associations
2. Strength of elected village councils (panchayats)\(^{21}\)
3. Levels of patron-client linkage
4. The general strength of political formations (not of particular parties)
5. Contact with local leaders, facilitators and organisers\(^{22}\)
6. Functioning of informal/ traditional village committees, groups and councils

This index of “agency” does not show a significant correlation with the social capital index for each village. While some villages have both high social capital and high agency, in most villages there is no correlation between the two. The two indices are independent variables. However (and this is Krishna’s significant finding) when an agency variable is combined with the index of local social capital, there is a substantial improvement in the correlation with development performance. Villages that have high levels of both social capital and agency were those in which development performance had progressed best, while those where only one or the other index was high progressed less well, and those in which both were low performed least well.
This relationship does not, of course, explain all aspects of development performance. For instance, it does not account for the relative commitment and level of facilitation provided by local officials, an aspect that was clearly evident from the first two case studies. However, it suggests that communities vary in their capacity to benefit from the same development programmes. This suggests that rather than designing new and different development programmes, development planners direct some of their attention towards enhancing the dynamic relationship between the internal social capital of communities and the broader relations and institutions that comprise “agency”. While ways of enhancing internal social capital may not be simply or directly accessible, there are many ways in which the potential of the crosscutting relations and vertical ties that form agency can be enhanced, such by investments in leadership training, building awareness of constitutional rights and government programmes, and ensuring easier access to government officials for common villagers.

D. Tundra

Our last case study is located in the region of Kiruna, a remote marginal community within the Arctic Circle in Northern Sweden. The study also includes the southern Swedish region of Gnosjö in order to compare interregional variations in generalized trust.

Stolle (2003) asks how norms of reciprocity and trust are generalised and institutionalised, and how we should explain regional differences in generalised trust. For purposes of the study she divides Kiruna into two parts: the urban community of Central Kiruna, and the remote marginal community of Eastern Kiruna. Nearly 700 questionnaires were distributed across the three regions, seeking information about respondents’ levels of generalised trust and civic engagement. More than half of the
respondents also provided supplementary information about their political views and their level of trust in political institutions.

This data, supplemented with extensive interviews with citizens, local officials and politicians, revealed marked regional differences in institutionalised aspects of trust across the three regions. In Gnosjö (famous across Sweden for its extensive network of free churches and associations, its strong entrepreneurial spirit and its openness to new immigrants) there was general satisfaction with local conditions and politics. In this region control of local government has switched regularly between two moderate political parties, and most people display high trust in local politicians and government. Less than 25% of respondents felt that local government did “little or nothing for people like themselves”, and fewer than 40% had “little or no trust” in local politicians and politics.

In Kiruna, on the other hand, there was widespread frustration with politicians and local government. Local government here had been dominated by a single party over several decades, local politicians were accused of being elitist and insular, and there were several allegations of political and financial corruption. As many as 60% of respondents in Central Kiruna were dissatisfied with their personal experience of local government; for Eastern Kiruna this figure was close to 70%. There was even more distrust in local politicians in both places, with 75% in Central Kiruna and 80% in Eastern Kiruna expressing little or no trust in them. In general, the majority of people in these northern regions believed that local politicians and officials used public resources to build privileges and protection for themselves. The more remote Eastern Kiruna region also suffered from high rates of unemployment, and residents frequently reported problems in starting new businesses.
Significantly, there was little variation in responses from the two parts of Kiruna to questions about the relative corruptibility or honesty of local politicians, or on politicians propensity to listen to people’s representations and requests. Since the politicians and local government for these areas are the same, this finding confirmed that people in the more remote region did not express more negative sentiments as a consequence of their remote location.

Regional variations were most marked in response to questions about the distribution of local services by government. In Gnosjö about 69% of people believed that such services were distributed fairly, in Central Kiruna 80% of people believed this was the case, while in Eastern Kiruna only 6% believed that services were distributed fairly. While the remoteness of Eastern Kiruna makes service provision relatively difficult, there is also a general feeling of being neglected there. An overwhelming percentage of respondents – 80% -- believed the main problem was that Central Kiruna was favoured too much by way of services in comparison with their area.

This pattern of responses from the three region was repeated in the indicators for generalised social trust, with Gnosjö revealing the highest level followed by Central Kiruna, then Eastern Kiruna. Stolle reports several everyday civic and collective action problems in Eastern Kiruna to illustrate this, such as the reluctance of citizens to give up small pieces of property for the construction of public sidewalks.

Significantly, generalised social trust displayed a close correlation with levels of satisfaction with government services across the three regions. Generalised trust also showed a significant relationship with levels of education (educated people displayed higher trust), though not with age, gender or associational membership.
Indeed, density of associations is actually higher in the low trust northern regions because local government provides extensive support for new associations there, whereas in Gnosjö most local association raise their own funds. There was also a correlation between generalised trust and aspects of family background and socio-economic status. Early parental inculcation in the value of trusting others, as well as a better socio-economic status, both show positive influences on levels of generalised trust.

The inclusion of socio-economic status diminishes differences between Central and Eastern Kiruna, leaving the major unanswered question of how to explain the significant differences in generalised trust between northern and southern regions. Stolle points to the strong correlation between generalised social trust and trust in political institutions. She suggests, along with other authors (Levi 1998; Brehm and Rahn 1997) that governments generate trust only if citizens consider the state itself to be trustworthy. She quotes the Swedish political theorist, Bo Rothstein, who writes “If people believe that the institutions that are responsible for handling ‘treacherous’ behaviour act in a fair, just and effective manner, and if they believe that other people think the same of these institutions, then they will also trust other people” (Rothstein 1999), and “it makes little sense to trust ‘most other people’ in civic domains if they are engaged in bribing and threatening government institutions in order to extract personal favours” (Rothstein 2003). Stolle argues that “citizens who are disappointed with their politicians and who have experienced the effects of institutional unfairness as well as politicians dishonesty, unresponsiveness, and lack of respect, transfer these experiences and views to people in general”.

Stolle concludes that this suggests social capital is not merely a variable determined by history, but one that can be strongly influenced by contemporary
political performance and government action. This appears to be particularly true of regional and local scales of government – while being close to the everyday lives of citizens, they are also “distant” enough to be generalised to other situations and groups of people.
IV. Revisiting Associations and Local Government

Different methods and approaches mark these case studies, and they are located in markedly differing contexts. Yet on many counts the pictures they reveal of the functioning of local associations has several similar elements.

We have seen how local associations arrive at appropriate decision-making through a process of internal negotiation, establishing the trustworthiness of agents and players (which may include agencies of government) and, if they are successful at these initial endeavours, can develop on a trajectory towards increasing maturity and robustness. This process can depend on several interrelated factors: the course of local institutional histories, complex interrelationships between community members and sub-groups, and pre-existing collective action experiences or local stocks of social capital. In contexts of management of local common property or other collective local resources, much of this negotiation may initially focus on the distribution of benefits and necessary burdens.

Where external agents, including donors and development agencies, interfere with this process (for instance by prescribing a norm of distribution) this process of building social capital can become ineffective and interrupted. Clearly, there will be many contexts where external agents may be justified in doing this, such as if the community’s norms turn out to be discriminatory, exploitative of vulnerable groups, or unconstitutional. External agents need to observe such processes within the community closely, and be sensitive to the dynamic context and changing relationships that external interventions bring. As long as communities and their organisations act within the law, it is important that the process of building (or re-building) social capital and institutional assets be allowed to proceed with minimal intervention.
There are some other accounts to suggest that external interventions intended to develop stocks of local capital can often fail. While many studies advise caution about the impacts of “top-down” development interventions on local stocks of social capital (Ostrom 1990, 1995; Uphoff 1992, 1993; Krishna and Uphoff 1999), a recent study for the World Bank by Gugerty and Kremer (2000) found that two projects explicitly designed to develop social capital among rural women’s groups and primary schools in Western Kenya (through the provision of support for building organisational capacity and strengthening women’s participatory groups) had no clear effect on women’s participation or social capital formation. However, another project to provide textbooks to local schools had largely positive effects on social capital and school organization. The provision of textbooks “increased the participation of parents and school committee officials at school meetings, improved teacher effort in school, and increased the involvement of government-appointed “teacher support” personnel (Gugerty and Kremer 2000: vii). Thus, of the three projects, those that were explicitly designed to be participatory and build social capital had the least effect on participation, while the one in which the community was provided much-needed collective resources led to increased engagement and participation.

Second, we have seen how crosscutting ties are important in providing rural communities with the wider linkages and opportunities critical for sustainable development and poverty reduction. In our case studies, crosscutting ties did not arise from institutional density and “overlapping memberships” in voluntary associations; instead overlapping memberships resulted in discrete organisational clusters and relatively closed social networks, even in an advanced organisational society such as Norway. This does not mean to say that overlapping memberships do not result in crosscutting ties; rather, it suggests that depending on the social and political context,
they can also arise through the action of a variety of social, political and government actors at wider scales. Our case studies suggest that examples of such agents can include local leaders and facilitators, such as in rural Rajasthan, as well as local government officials, such as in Volda. However, this area of social capital studies is relatively underdeveloped and new. We need more extensive cross-country studies to understand the patterns and mechanisms by which organisational linkages are built across local communities and groups.

In marginal rural areas where communities are dispersed and relatively isolated, and where aspects of terrain (such as high mountains) restrict possibilities for the building of horizontal crosscutting relations, local government has a particularly important role to play in facilitating organisational linkages. In many developing countries, the capacity and inclination of officials at the level of local government may not be adequate to this task. Jean Dreze, who has authored a particularly valuable set of studies on poverty and hunger (along with Amartya Sen), reports from some of the same areas of Rajasthan covered by our study that while there is relatively sophisticated discussion of poverty and the poor in urban centres and government offices, he found attitudes of deep hostility and blame for the poor and their organisations among local government officials (Dreze 2002). While particularly innovative local officials may occasionally succeed in creating such linkages, the capacity and ability of local government in this respect is a crucial aspect of the sustainable development of marginal areas in developing countries.

Some aspects of the potential roles of local government in promoting sustainable development and poverty reduction we have described here are echoed in the results from the World Bank’s Local Level Institutions Study. In summing up the findings of the study, Grootaert (2001) concludes:
To the extent that a population with high levels of social interaction, trust, and abidance to norms and laws generates country-wide benefits, it may justify a role for government. This would not necessarily consist of setting up a series of government-sponsored associations…but primarily in creating a supportive environment for the emergence of voluntary local associations. However, the results for Burkina Faso and Bolivia also indicate that organisations that were originally set up by government can over time become adopted by the local population and be perceived as community associations. Either way, government, especially local government, can play a role in ensuring that the poor participate in local associations. Our results suggest that the benefits from membership and active participation are greater for the poor than for the population at large (Grootaert 2001: 29-30, emphasis added).

Our study goes beyond this by providing preliminary experiences and reflections about specific aspects of this process in contexts of associational activity and community participation in marginal rural areas of industrial and developing countries.
V. Conclusion

The case studies and analysis in this paper suggest some lessons for development practitioners, which can be summed up as follows:

1. The dynamics of social capital in local communities can be complex and fragile. Donors, development agencies and project managers need to recognise and be sensitive to the levels and kinds of social capital present among beneficiary communities when designing and implementing development interventions. There is now a quantity of research to show that this is best achieved, not by directly intervening in local stocks of social capital and institutional resources, but by giving local communities opportunities to utilise and enhance their existing stocks of social capital in the process of participating in projects.

2. Crosscutting relations are important in building civil society and promoting sustainable development. Depending on context, such relations may or may not arise through “overlapping memberships”, but they can also be produced through the action of social, political and administrative linkages. Donors and development agencies can assist in linking the internal social capital of local communities to wider arenas of activity through the facilitation of crosscutting relations. These can be both “vertical” – through support for federations and unions of associations; by building linkages between communities and state agencies (including through joint or collaborative projects); and “horizontal” – through facilitating contact with groups such as for farmers’ research, self-help and training, microfinance, or other civic and technical organisations; or by providing access to information and adaptive skills related to market opportunities, etc.
3. Marginal rural areas are particularly likely to be inhabited by relatively sparse, remote and isolated communities with internally-focused social capital and informal institutions, but with few options for developing external linkages or crosscutting relations. In such areas, it is particularly important that local government agencies are able to act as forums, facilitators and stimulators of crosscutting relations by organising discussions, participative activities, and consultations which are inclusive of and responsive to the needs and interests of different local communities and groups, including poor and vulnerable groups.
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Notes

1 While there are significant differences between the groups referred to by these terms, for purposes of this paper we consider them and others together as “civil society organisations” (CSOs). It is also worthwhile to note that many terms have different meanings in various parts of the world. For example, in East Africa the term “non-government organisations” refers to what are effectively service delivery agencies outside of government (often funded by international donors), while “community-based organisations” (CBOs) are closer in purpose to participatory civic associations.

2 The project, Investigating Social Capital: Content, Process and Qualitative Method, was conducted at the Norwegian Center for Research in Organization and Management (LOS Center), University of Bergen, over 1999-2001, with support from the Norwegian Power & Democracy Project. The authors are grateful to participants in the project as well to those in a related workshop held at Solstrand, May 2000, for valuable comments and discussions.

3 Recent studies suggest that in most developed countries the amount of time spent in volunteering and related activities is declining in favour of “passive membership”. For details, see for instance Wollebæk and Selle 2003.

4 Robert Putnam’s work on civic organisations in Italy and the United States has made this term synonymous with the presence of benevolent, bridging forms of social capital and civil society. We shall consider the extent to which Putnam’s optimism in this regard is justified later in this paper.

5 “Club” goods are goods that are excludable and non-rivalrous in consumption, that is, while it is possible to exclude people from their benefits (as for private goods), one person’s use does not affect the supply of the good available to other users (as for public goods).

6 Though it should be noted that, in the abstract at least, organisational density is a separate issue from crosscutting linkage or inter-group connectedness. As Pretty and Ward (2001) after Cernea (1993) note, it is possible to imagine a context with large numbers of organizations, each protecting its own interests, with little interconnectedness or cross contact. An alternate explanation of this is provided in the Norwegian case study in section III, below.

7 The countries with the highest levels of social trust in the World Values Survey data were Norway, Denmark, Sweden, Netherlands, Canada, and Finland. The USA was substantially lower in most measures of social trust and trust in government institutions in 1995-97; however, recent Gallup polls suggest a great surge of trust in government after the events of September 11, 2001, bringing it to the highest level since the 1960s (Economist, 2002).

8 In contrast, Robert Putnam essentially distinguishes between egalitarian and hierarchical associations in his celebrated study of Italy, arguing that the former are more likely to produce the collaborative ties and relations of trust that lead to social capital (Putnam 1993).

9 There is now a large and proliferating literature on the management of common property by informal and customary associations. See, for instance, Jodha 1986; Chambers, et al 1989; Ostrom 1990; Bromley 1992; Prakash 1998a; among others.

10 A related issue in our personal experience is that in many developing countries the formal registration of associations by “illiterate” farmers or peasants can be subject to bureaucratic obstruction and corruption, require several time-consuming trips to faraway government offices, and may not be perceived to bring immediate or tangible benefits to members, such as legal protection or funding.

11 For more details, the reader is referred to the excellent account of these (and other) struggles in Edwards and Foley 2001.

12 This is the “People’s Campaign for the Ninth Plan”, part of an ongoing programme of administrative decentralisation in the state.

13 See Mick Moore (1999) for an extensive taxonomy of trust relations in economic development.

14 World Values Survey (1990-91) provided related data for three large developing nations—China, India and Nigeria, as well as for most of the rich industrial nations. The percentage of people by educational attainment who trusted other people in these developing countries was: lower education: 34%, secondary education: 37%, tertiary education: 41%; while for the industrial nations, the figures were lower education: 37%, secondary education: 48%, and tertiary education: 59% respectively. See Inglehart (1999).

15 At the time this area was still part of the Uttar Pradesh Hills.

16 These were earlier “working” forests under the control of the Department of Revenue, and are known as ‘civil/soyam’ lands.

17 Ostrom (1995) describes other instances in the Himalaya where similar interventions led to an erosion of village-level institutions because common provision of labour for the maintenance of earthen
channels (which formed the main investment of local social capital) was rendered unnecessary by the new concrete channels.

18 This is the village forest councils, or van panchayats, of Kumaon.

19 An exception to this rule was made for the single widow in the community as her household lacked capacity for providing such labour.

20 The districts of Ajmer, Bhilwara, Rajsamand, Udaipur, and Dungarpur.

21 Panchayats are formal elected bodies that represent the lowest level of local government in India (usually representing one to five villages). Though their role has formally expanded after a related (73rd) amendment to the Indian Constitution in 1993, many observers have expressed scepticism about their effectiveness as units of democratic governance (Sinha 2001; Vyasulu 2001; John and Chathukulam 2002).

22 The emergence of such leaders forms a new development in the state, reflecting both political competition and political innovation at the local level.

23 The response rate varied from 60% to 75% for the 3 regions.

24 This has changed in recent years, with The Kiruna Party emerging as a significant challenger to the hegemony of Kiruna’s Social Democrats.