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Social Capital and Poverty Nexus: Capital (De) Formation through Occupation-Based Informal Associations in Bangladesh

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SOCIAL CAPITAL AND POVERTY NEXUS: CAPITAL (DE)FORMATION THROUGH OCCUPATION-BASED INFORMAL ASSOCIATIONS IN BANGLADESH

A DISSERTATION SUBMITTED TO THE
INSTITUTE OF BANGLADESH STUDIES, UNIVERSITY OF RAJSHAHI
IN CANDIDACY FOR THE DEGREE OF
DOCTOR OF PHILOSOPHY

MD. JAHANGIR KABIR

RAJSHAHI, BANGLADESH
JULY 2013

INSTITUTE OF BANGLADESH STUDIES
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Researcher: **Md. Jahangir Kabir**
PhD Fellow
Session: 2010-11
Institute of Bangladesh Studies
University of Rajshahi, Rajshahi

Supervisor: Dr. Jakir Hossain
PhD (Trento), MSc (LSE)
MSc (South Bank), PGD (Carleton)
Former Visiting Fellow (Cornell)
Associate Professor
Institute of Bangladesh Studies
University of Rajshahi

RAJSHAHI, BANGLADESH
JULY 2013

To My Father Md. Abdur Rahman

&

My Mother Samsunnahar Renu

DECLARATION

I do hereby declare that the dissertation entitled "*Social Capital and Poverty Nexus: Capital (De) Formation through Occupation-Based Informal Associations in Bangladesh*" submitted to the Institute of Bangladesh Studies, University of Rajshahi in partial fulfillment of the requirement for the degree of Doctor of Philosophy in Social Work is exclusively my own and original work. No part of it, in any form, has been submitted to any other University or Institute for any degree, diploma, or for other similar purposes. All the evidences derived from the published and unpublished works of other authors have been acknowledged, and references have been cited.

Rajshahi, Bangladesh
July 2013

Md. Jahangir Kabir
PhD Fellow
Session: 2010-11
Institute of Bangladesh Studies
University of Rajshahi, Rajshahi

CERTIFICATE

I am pleased to certify that the dissertation entitled *"Social Capital and Poverty Nexus: Capital (De) Formation through Occupation-Based Informal Associations in Bangladesh"* is an original work of Md. Jahangir Kabir. The research has been conducted under my academic guidance and supervision. The researcher has himself prepared the dissertation, and this is not a conjoint work. He has made distinct contribution to the field of Social Work through this original work. This dissertation or any part of it, as I am aware, has not been submitted to any other university for any degree.

I have gone through the draft and final version of the dissertation and found it satisfactory for submission to the Institute of Bangladesh Studies, University of Rajshahi in partial fulfillment of the requirement for the degree of Doctor of Philosophy in Social Work.

Rajshahi
July 2013

Dr. Jakir Hossain
Associate Professor
Institute of Bangladesh Studies
University of Rajshahi

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ABSTRACT

Social capital and poverty are inversely linked. Social capital improves income of the people by disseminating appropriate information, reducing opportunistic behavior and making collective decision. The underlying factors of the relationship between the two concepts vary. We neither know whether social capital affects poverty in the context of Bangladesh, nor do we know what factors produce outcomes in making the relationship between the two concepts. The question which I broadly address in this dissertation is: whether any nexus exists between social capital and poverty through capital (de) formation, and what factors make the nexus possible. By surveying the occupation-based informal associations (OIAs) in Bangladesh, I argue that social capital and poverty is inversely linked. Participation, empowerment and collective action are the three factors, which formulate this relationship by augmenting the two specific outcomes—capability and capital. I examine capability in terms of raising voice, enhancing power, learning about the rights and meeting the emergency needs and capital *i.e.* physical, human and social. Focusing on participation in OIAs, I explore that taking part in group formation, group activities actively, problem analysis, conflict resolution procedure, and benefit distribution generate the outcomes significantly. Regarding empowerment, I claim that sharing benefit, accountability and collective decision play most influential role in poverty reduction. It is explicit that the poor have no access to the resources and services due to lacking of information and bridging network. The OIAs are the sources of collective action. The success of it depends on previous experience, and upon the resource accumulation and conflict resolution mechanisms. The poor fail to bridge their network collectively with other institutions due to lack of money, time and access. Hence, I argue that the higher the stock of social capital the lower is the amount of poverty. As the flow and stock of social capital depend on the participation, empowerment and collective action, the poor can reduce their poverty by strengthening social capital. The poor fail to gain more by using social capital because of having no involvement in community activities, access to the services or opportunities and engagement in bridging network. This dissertation adds that social capital can work fruitfully in reducing poverty when the three factors i.e., participation, empowerment, and collective action act jointly. Poverty at both individual and national level might be alleviated by increasing the stock of social capital of the poor, and by incorporating the social capital-poverty nexus in poverty reduction policies.

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ACRONYMS

ADLS	Agriculture-based Day Labourer Samity
AR	Association's Representative
BARD	Bangladesh Academy for Rural Development
BRDP	Bangladesh Rural Development Program
CCS	Coolie Cooperative Samity
CLS	Construction Labour Samity
FCS	Farmers Cooperative Society
FGD	Focus Group Discussion
FLWS	Fishing Labor Welfare Samity
GB	Government of Bangladesh
GDP	Gross Domestic Product
GO	Government Organization
HS	Hawker Samity
KII	Key Informant Interview
LFMS	Lalmatia Forest Maintenance Society
LG	Local Government
LL	Local Leader
LP	Local People
MLG	Member of Local Government
MP	Member of Parliament
NGO	Non-Government Organization
OIA	Occupation-based Informal Association
PGPLS	Plastic Goods Producing Labour Samity
RPS	Rickshaw Puller Samity
SLR	Secondary Literature Review
SQS	Sample Questionnaire Survey
TKU	Tantha Karigor Union
TR	Test Relief
TV	Television
UHC	Upazilla Health Complex
VGD	Vulnerable Group Development
VGF	Vulnerable Group Feeding
VSS	Vegetable Seller Samity
WWS	Women Welfare Society

CHAPTER I

INTRODUCTION

Social capital—network of relation, trust and norms of reciprocity—is a new addition in development vocabulary. Social capital and poverty are inversely linked. Social capital enhances income or production by providing appropriate information, reducing opportunistic behaviour and making collective decision, and reduces the poverty. The question addressed in this dissertation whether social capital affects poverty through capital (de) formation, and what factors work in making the social capital and poverty nexus. Focusing on the social capital and poverty nexus, debate goes on about the definition of social capital, its outcomes and the mechanisms of the linkage between the two concepts. The information sharing, collective decision making and collective action are not only the output of social capital but also the input of how social capital converts itself into different forms of capabilities and capital, like physical, human and social. The contribution of social capital on capital (de) formation depends on three important ways. These are participation, empowerment and collective action, which provide enough input to enhance capabilities and resources to alleviate poverty. It is presumed that association is the most important source of social capital. Hence, the nexus between social capital and poverty lie in organizations or associations—formal and informal. These organizations/ associations have had been at the centre of numerous analyses. The occupation-based informal associations (OIAs) in Bangladesh are a case in this point. However, we neither know whether poverty affects social capital, nor do we know what factors play the important role on capital formation that may link social capital with poverty. Despite the reasonable presumptions and debate about the nexus between social capital and poverty[1], this study has answered the question.

---

[1] The debate is intense on structural versus cognitive social capital, horizontal versus vertical organization, heterogeneous versus homogeneous organization, and formal versus informal association. There is too no consensus on a unique definition of poverty, thus, debate goes on income versus other components of poverty like income fluctuation and powerlessness. Also, the debate on whether social capital is a 'capital' is not yet settled. Diverse perspectives exist whether social capital matters for development, the role it plays in poverty eradication, and sources of social capital.

IS SOCIAL CAPITAL A CAPITAL?

There are considerable arguments both for and against social capital to be considered as a form of capital. While to some, it is an asset that possesses all the properties of genuine capital (Grootaert and Bastelaer 2002:5; Collier 2002: 22-24; Dasgupta 2000:326; Lesser 2000: 7-8; Adler and Swon 2000: 93-95); to others, it is not a capital because it does not satisfy all the criteria of capital (Arrow 2000:4; Solow 2000: 6).

To opponents, social capital, like other forms of capital, can not necessarily represent the attributes of capital, i.e. stock of tangible, solid and durable things like buildings, machinery and inventories (Sollow 2000: 6). Moreover, the rate of return on social capital cannot provide any clear picture to the people. Although capital generally implies three aspects: extension of time, deliberate sacrifice in the present for future benefit and alienability, the last aspect is not true for social capital (Arrow 2000:4). Besides, the essence of social capital is built up for reasons other than sheer economic value. Due to lack of economic value in stocking social capital, the opponents believe that it cannot be considered as a form of capital.

For proponents, however, as to why social capital is a capital, at least five reasonable arguments can be made, which are elaborated below. What becomes clear from the following discussion is that social capital represents a good number of characteristics of capital just as physical and human capital. Therefore, there should be no ambiguity for the envisaged research to consider social capital as a type of capital.

First, like other forms of capital, social capital needs accumulated stock from which a stream of benefits flows (Grootaert and Bastelaer 2002:5). Any stock of capital is an accumulation of past flows of investment (Solow 2000:7). The accumulated stock or past flows of investment is covered by properties of social capital. While, on one hand, the past flow of investments is time, efforts and money

(if necessary), on the other hand it is years of meeting, collective action, precedents and interaction with others which are essential preconditions for creating network of relations, establishing norms of reciprocity and making trustworthy relationships among the members.

Second, social capital provides some streams of benefit. These are sharing information, reducing opportunistic behaviour, making collective decision, and organizing collective action (Serageldin and Grootaert 2000: 47-49). Theses streams of benefit do not come from other forms of capital; rather it comes from the past investment in social capital.

Third, like other forms of capital, it is a common or public good (Putnam 1995: 273 and Coleman 2000: 35). This public good characteristic of social capital has direct implications on the optimality of any kinds of production. Like other public good, it will tend to be under-produced because of incomplete collective internalization of the positive externalities inherent in its production.

Fourth, like other forms of capital, it is 'appropriable' (Coleman 1988 cited in Adler and Swon 2000: 93) and to some degree 'convertible' (Bourdieu 1985 cited in Adler and Swon 2000: 93). It is appropriable in the sense that an actor can use it for other purposes like sharing information or advice. It can be converted into economic or other advantages like increasing physical capital (Helliwell and Putnam 2000:257-259) and human capital (Coleman 2000:18).

Fifth, like other forms of capital, social capital requires maintenance to remain productive. Without providing time, efforts and other resources in stocking social capital, it may decline or remain useless.

Though social capital has two distinct features alike other forms of capital[2], it may be treated as a form of capital due to its investment and production qualities. When it function as an investment—expend of money, time and skill—on which the participants gain a return—stream of benefits—by virtue of their membership in a social network. As it is productive, it works for the actors as capital. It makes possible achievement of certain ends that would not be attainable in its absence (Coleman 2000: 16). Investment in social capital returns more profits to the investors. In this approach, capital is seen as a social asset by virtue of actor's connections and access to resources in the network or groups. The returns on investment need not, of course, be monetary: they can involve anything of value, such as recognition, prestige, education, enhanced capacities for self-rule, or health.

By analyzing all arguments both for and against social capital to be considered as a form of capital, it is clear that social capital can cover similar attributes like other forms of capital. It does not cover the attributes of physical capital like buildings and machinery, but it covers at least four characteristics: social capital (i) is public goods, (ii) is convertible, (iii) needs investment of time and money, and (iv) provides benefits. With fulfilling the above four specific attributes, social capital fill up necessary criteria of being a capital. Hence, this dissertation argues that social capital is a capital.

DOES SOCIAL CAPITAL MATTER FOR DEVELOPMENT AND POVERTY ERADICATION?

Development is a continuous process through which a person or nation or country transforms its demographic variables from the lowest level to the upper level. Investment of physical and human capital has been considered the two important development tools for many years. Due to the failure of enhancing development and

[2] This difference is occurred for mainly the following two reasons that create the debate whether capital is individual or collective. Other forms of capital are individual property whilst social capital is collective goods. The first reason is that it is not owned by one specific person; rather it depends upon all participants in the networks. As it is public goods, individuals may avoid its maintenance responsibility, relying on other members for ensuring it. The second reason is that it is located not in the actors themselves, but in their relations with other actors. Due to these collective features of social capital, It indicates different meanings alike other forms of capital.

poverty alleviation through physical and human capital, another capital named 'social capital' has entered into the development lexicon. How would physical and human capital be accumulated is an important question to the researchers. Social capital is that tool which encourages people to act collectively in order to gather physical and human capital. With this argument under consideration, social capital, in the recent years, has been used extensively to analyse the youth problems (e.g. juvenile delinquency), schooling and education, community life, democracy and governance, economic development and general problems of collective action. In addition, organizational research on social capital tries to explain some important phenomena of the society such as career success (Burt 1992; Podolny and Baron 1997), organizational dissolution rates (Pennings, Lee and Van Witteloosuijn 1998), level of inter-unit resource exchange and product innovation (Tsai and Ghoshal 1998). It is, therefore, that social capital is an essential tool for any kind of development.

Although a universally accepted definition of poverty is elusive, debate concerning this goes on. No matter whether poverty is largely about material needs or about a much broader set of needs, it diminishes wellbeing. Ending poverty is the prime agenda of the current world including Bangladesh. There is a general consensus that no development effort will be successful if it fails to eradicate poverty. Due to the failure of physical and human capital for making poverty-free world, social capital has emerged as one of the tools for poverty alleviation because it creates network, norms of reciprocity and trust among the people to act collectively for mutual benefits. For this reason, it is now considered as a missing link in poverty analysis and its eradication. It is comparatively important for the advancement in material gain and welfare. There are many studies that connect social capital with poverty. Indeed, it is an important determinant of poverty (Yusuf 2008; Grootaert 2001), better means to

tackle the problems of poverty and vulnerability (Isham *etal*. 2002), a tool for poverty alleviation (Rupasingha and Goetz 2007), important determinant of household income and poverty (Narayan and Pritchett 1997: 34-35), a way to reduce the probability of being poor (Grootaert 1998:62). This is why social capital is essential for poverty analysis and its eradication.

SOURCES OF SOCIAL CAPITAL: APPROPRIATE ORGANIZATION

Although social capital has many sources, there is a general consensus that it lays in organization (Putnam *et al* 1993; Coleman 2000:29). According to Putnam (1995: 67), social capital is the features of social organization such as network of relations, norms of reciprocity and trust that encourage coordination and cooperation for mutual benefit. The organization can form both structural and cognitive dimensions of social capital (Uphoff 2000: 218)[3]. People create networks of relation, form appropriate norms of reciprocity and trust for their wellbeing by joining in organizations. Moreover, the stock of social capital is geared up within social organization and at the same time it can also form the structure of social organization wherein the members participate, empower themselves and organize collective action through interacting with each other, sharing information and making collective decisions. There are different kinds of organizations characterized as homogeneous, heterogeneous, horizontal, vertical, formal and informal organization. Among those organizations, homogeneous based heterogeneous organizations are the better sources of social capital.

All types of organizations exist in Bangladesh. From the argument made above, the important examples of organizations in Bangladesh are the OIAs in which

[3] Uphoff points out that the structural dimension of social capital is associated with various forms of social organization, particularly roles, rules, presidents and procedures as well as a wide variety of networks that contribute to cooperation, and specially to mutually beneficial collective action and the cognitive dimension derives from mental process and resulting ideas, reinforced by culture and ideology, specially norms, values, attitudes and beliefs that contribute cooperative behavior and mutually beneficial collective action.

social capital can be generated and regenerated. Most of the OIAs in Bangladesh are homogeneous based heterogeneous associations that are formed and administrated informally. People join in it willingly and strengthen networks of relation, form norms of reciprocity, and create general trust informally for their wellbeing. No structural or formal rules and roles are necessary for directing the OIAs. These are governed by making collective decision, undertaking collective efforts and organizing collective action by the members.

Members of the OIAs make informal collateral structure among themselves, and thus they usually do not disobey the associational decisions. Since the OIAs in Bangladesh bring informal groups of people together to interact with each other, share information, knowledge and experience and make collective decision for collective action, these associations are the important sources of building and strengthening social capital. A closure and appropriate organization that may form simple and multiple relations is important to provide necessary stock of social capital to the people (Coleman 2000:26). Without any kind of intervention, these organizations increase their stock of and capacity to use social capital and thus they gain mutual benefits that help them to reduce poverty. Alike other formal organizations, the OIAS in Bangladesh are the important sources of social capital.

PROBLEM STATEMENT

Social capital affects poverty through capital (de)formation by some important mechanisms: sharing information and knowledge, reducing opportunistic behaviour, collective action, public sector efficiency, community cooperative actions, diffusion of innovation, informal insurance, inclusive participation, conflict management, education and values, economic restructuring, governance and decentralization and demand driven service delivery. But, debate goes on about the nexus between social

capital and poverty in terms of conceptualization of both the concepts and output of the existing empirical studies. In relation to this debate, there is a dilemma whether social capital affects poverty or poverty affects the stock of social capital.

Despite the above mentioned complexities about the nexus between social capital and poverty, there is a general consensus that the stock of and capacity to use social capital affects the level of poverty. Comparing with the existing empirical studies, the proposed study will take a different conceptual framework in order to exhibit the nexus between the two concepts. The conceptual framework is divided into two parts. While the first part is social capital and poverty nexus in action, the second part is the outcomes of the nexus. The first part, again, consists of three core issues: participation, empowerment and collective action whilst the second part includes two outcomes: capital (de)formation and poverty and wellbeing. Core issues of the first part have some specific issues that influence poverty or wellbeing through capital (de)formation. Although there are many studies on the nexus between social capital and poverty, no study covered these two parts of the nexus. Thus, these two parts are the unknown avenues of the proposed study.

The Nexus between Social Capital and Poverty

Social capital and poverty is inversely linked. A one unit increase in the stock and use of social capital can reduce a significant level of poverty (Narayan and Pritchett 1997:34; Grootaert 1998:40). As a result, those who have higher stock of and capacity to use it get more access to the resources, services and opportunities and achieve enough capability to cope with risk. For several centuries, it is found that some people have been richer than others (i.e. the poor). This difference between poor and non-poor are matched by the differences of societal or organizational structure and by the differences in the extent of social networks, norms of reciprocity and trust that can organize collective action. With this argument in mind, it can reasonably be presumed that the higher the stock of social capital the lower is the amount of poverty.

Complexities of the Nexus between Social Capital and Poverty

In spite of the above presumptions, the nexus between social capital and poverty is very complex due to the multifaceted characteristics of both the concepts. At the one side, it is hard to explain social capital with one element because it bears many meanings to many people. As a result, researchers take different element(s) —associational life, networks of relation, norms, trust, beliefs, rules and roles, precedents *etc* to conceptualize social capital. At the other side, the same differences are found among the researcher in terms of conceptualizing poverty. Whilst some researchers focus on income poverty, some researchers highlight wider and multifaceted aspects of it than income. Due to these complexities of the two concepts, debate goes on about the nexus between social capital and poverty. For this reason, a universally accepted inter-linkage between the two concepts is still elusive.

The existing empirical studies on this nexus vary from time to time, researcher to researcher, and field to field because of taking different conceptualization and measuring tools of the both concepts. In spite of having this disagreement and ongoing debate about the nexus, researchers have been working on this issue for quite a long time and argue that the stock of and ability to use social capital can determine the level of poverty (Narayan and Pritchett 1997; Narayan 1999; Grootaert 1998; Collier 2002; Knack, 2002; Hakim, Abdul and Ismail 2010). In sum, it may be said that those who have higher stock of and ability to use social capital are better able to generate income, cope with risk and exercise the power for their wellbeing as well as poverty reduction.

Mechanisms of Linking Social Capital with Poverty

Social capital affects poverty at three levels: macro, micro, and individual level. Whether social capital is considered as private or public property, it works to determine the level of wellbeing or poverty of either individual or a group of people

through some mechanisms. The mechanisms by which social capital links with poverty vary from study to study. Moreover, a universally accepted list of mechanisms is yet elusive for making the nexus between the two concepts. The empirical studies explore some mechanisms of the nexus. These are : (i) sharing knowledge, reducing opportunistic behaviour and collective action (Collier 2002: 37-39; Grootaert 1998), (ii) public sector efficiency, community cooperative actions, diffusion of innovation, perfect information and informal insurance (Narayan and Pritchett 1997), and (iii) information sharing, inclusive participation, conflict management, education and values, economic restructuring, governance and decentralization and demand driven service delivery (Narayan 1999). Again, considering macro level analysis, some scholars have tried to link social capital with poverty through economic growth. The economic growth can be increased by the government social capital—enforceability of contract, the rule of law, and the extent of civil liberties and by the civil social capital—common values, norms, informal networks, and associational membership. Thus, the studies regarding macro level analysis conclude that social capital affects the level of poverty through promoting economic growth of a country (Morris 1997; Collier 2002; Knack 2002).

Participation, empowerment and collective action are the three important issues for social capital and poverty nexus, but the existing empirical studies do not include these three important issues for bridging social capital and poverty nexus. Participation makes the stock of and ability to use social capital that in turn helps to capital (de)formation (Putnam 1993: 63; Coleman 2000: 16). Although there are different kinds of participation, social capital can be generated through participation in association, problem analysis in the meeting, activities and sharing benefit. Empowerment is associated with power, influence and control over people. While

social capital builds the ability of the people to influence others (Coleman 2000:20), it creates the capability to be free of others influence (Burt 1993, cited in Sandefur and Laumann, 2000: 75) and to use the power (Adler and Swon 2000:105). Likewise, empowerment is another important issue in making social capital and poverty nexus. In order to empower the people, four specific issues—sharing information, inclusion, accountability, and joint liability are necessary.

Collective action is another essential aspect of social capital. Many successful efforts go under failure due to the tragedy of commons[4] that can be solved by organizing collective action (Ostrom 2000:192; Grootaert and Bastalaer 2002:55; Wong 2007:21). The development of a community depends on how and to what extent they can organize collective action. Collective action is needed for making collective decision, accumulation and proper management of resource, maintaining communication and coordination, and forming conflict resolution mechanism. In spite of having seminal effect of participation, empowerment and collective action on social capital and poverty nexus, the existing empirical studies do not touch these three important mechanisms for making linkage between the two concepts.

Ongoing Debate on Social Capital and Poverty Nexus

Although there is a nexus between social capital and poverty, debate goes on in terms of conceptualizing both the concept and output of the existing studies. Since a universally accepted definition of social capital is yet elusive, it bears many meanings

[4] In the first sense, 'tragedy of commons' means unmanaged commons. In spite of having no property rights or control over the common resource, some people exploit others for taking direct profit from the commons. Those who are exploited from these common goods are bound to pay her/his share of the costs for over-exploitative activities done by other members of the group. In another sense, it is a public goods dilemma. Each self-interested individual in a group is supposed to act to achieve their common or group interest. If a single individual does not contribute to the common interest, her/his interest will most probably be accomplished anyway. Therefore, each individual is compelled not to cooperate: s/he does not pay the individual cost of cooperating but receives her/his share of the benefit. This exploitation strategy is called 'tragedy of commons' (Dionisio and Gordo 2006).

to many people. Hence, the debate goes on regarding structural versus cognitive social capital, horizontal versus vertical organization, heterogeneous versus homogeneous organization, and formal versus informal organization. Regarding poverty, there is no consensus on a unique definition; as a result debate continues on income versus other components of poverty. While some include income as a tool of poverty, other take account of other components to analyse poverty like income fluctuation and powerlessness. These differences in conceptualizing both the concepts prevail in the existing empirical studies where the differences in output also exist. Apparently, debate continues on the output of macro level versus micro level empirical studies.

Social Capital

Although social capital is an important tool for any kind of development, a universally accepted definition of it is yet elusive. This elusiveness of the definition proliferate an unresolved debate among the researchers in terms of components, sources and consequences of social capital. The most influential on-going debates are structural versus cognitive social capital, horizontal versus vertical organization, heterogeneous versus homogeneous organization.

Structural versus Cognitive Social Capital

Although social capital has different forms, debate is going on structural social capital versus cognitive social capital. The networks, roles, rules, and precedents are considered as structural elements of social capital, whereas norms, trust, values, attitudes and beliefs are included in cognitive elements of social capital. Although both types of social capital predispose people towards mutually beneficial collective action, empirical studies focus on either structural or cognitive or both types of social capital. Underscoring top-down approach, some studies include structural elements of

social capital like social relationship, connection or network, and network of associations because these studies reveal that structural social capital creates cognitive social capital (Morris, 1998; Grootaert 1998), while other studies—based on the bottom-up approach—comprise norms, trust and beliefs as cognitive elements of social capital because these elements are necessary for forming structural social capital (Narayan and Pritchett 1997; Grooteart 1998). Despite these ongoing debates on structural versus cognitive social capital, both types of social capital can organize collective action for mutual benefit. Supposedly, both structural and cognitive elements of it are necessary for conceptualizing social capital.

Horizontal versus Vertical Organization

Organization is the basic unit in which social capital is generated and regenerated. There are many types of organization, but researchers have divided into two categories: horizontal and vertical organizations. Both types of organization are essential for building and exploring social capital. What type of organization is appropriate for generating social capital is an important question to the researchers. Some researchers favour horizontal organization (Narayan and Pritcett 1997; Andriani and Karyampas 2010) while the others highlight vertical organization (Collier 2002:24; Knack 2002: 60). The like-minded people form horizontal organization that encourages people to create networks, norms and trust among its members. Whilst some studies mention that horizontal organizations are the best example in order to build social capital, some other studies view that vertical organization is best because it can give good chance to exchange of information, knowledge and experience. So, vertical organization may be a better source of social capital than that of the horizontal one.

Heterogeneous versus Homogeneous Organization

There is another debate with regard to heterogeneous versus homogeneous organization. Heterogeneous organization is formed by different people of different characteristic whilst homogeneous organization is created by those who have same characteristics. Although both organizations are important for building social capital, researchers have divided into two categories—school of heterogeneous versus homogeneous organization. On the one hand, internal heterogeneity of organization is seen as important tool for stocking social capital and gaining economic welfare (Narayan and Pritchett 1997; Grootaert 1999), on the other hand, some studies infer opposite conclusion that homogeneous organization is better than others for organizing collective action and building social capital. According to their views, poor people organize themselves homogeneously because they are restricted for heterogeneous organization by different ways. Thus, homogeneous organization may be essential for making nexus between social capital and poverty.

Poverty: Income versus Other Components

The indicators for measuring poverty vary from study to study due to multifaceted nature of it. Researchers, policy makers and development workers have been divided into different categories for many years in terms of taking measuring tool(s) of poverty. It has many meanings to many people. While to some, income is the single and important tool of measuring poverty, to others, income is one of the tools to measure poverty. There are other indicators of poverty—income fluctuation, powerlessness, social security, entitlements *etc*. These are equally important like income for analyzing poverty. Since income has been considered as an important indicator to measure poverty for many years, most of the existing empirical studies on social capital and poverty nexus include either income or consumption (proxy

variable of income) for measuring poverty (Narayan and Pritchett 1997; Hasan and Birungi 2011; Narayan 1999; Grootaert 1999). In poverty analysis from different perspectives, the income based poverty is heavily criticized for its excessive emphasis on reductionism and bias to the measurable. Some of the serious shortcomings include the inability of income to capture the failures in the distribution of goods/services (Hossain 2002:32). Income might be one of the measuring tools of poverty, but it cannot be the single tool of measuring poverty because it cannot give a clear picture about other dimensions of poverty like income fluctuation and powerlessness of the poor. So, there are many indicators to measure poverty amongst which income fluctuation and powerlessness of the poor are the important two. But the interesting fact is that no study has so far included these two important tools in association with income to measure poverty for linking it with social capital. Without considering income, income fluctuation and powerlessness together in conceptualizing poverty, it is difficult to pinpoint the nexus between social capital and poverty clearly.

Output of the Existing Empirical Studies: Macro level versus Micro level

As the existing empirical studies on social capital and poverty nexus vary from researcher to researcher and from field to field, the outputs of these studies differ also. Despite this disparity in the findings of the existing empirical studies, researchers also agree that social capital affects poverty significantly. Reasonably, the debate about the nexus between the two concepts goes on in terms of outputs and study areas. The debate on study areas is concentrated on macro versus micro level analysis. At the macro level, the existing empirical studies include government and civic social capital[5] as social capital and infer that it affects country level poverty via increasing

[5] Government social capital includes governmental institution that influences the people's ability to cooperate for mutual benefit; these institutions are enforceability of contracts, the rule of law, and the extent of civil liberties. The civil social capital encompasses common values, norms, informal

the economic growth of the country (Collier 2000: 65; Morris 1997:13 Knack 2002: 64-72). Alternatively, some researchers argue that macro level analysis of social capital based on trickle down approach does not necessarily improve the living condition of the bottom level poor. It requires bottom-up approach to analyse social capital and poverty nexus. Indeed, this group of researchers focus on micro level analysis for making social capital and poverty nexus. They conclude that social capital reduces poverty by improving the living standard (Woolcock and Narayan 2000: 233; Grootaert 2001; Coate and Ravallion 1993), increasing the capabilities (Collier 2002: 37-39; Bastelear 2002: 252; Larance 1998), and developing the living condition of the poor (Putnam 1995: 67; Woolcock and Narayan 2000).

While the living standard of the poor increases through building informal network with relatives and neighbours for constituting certain kinds of social structure in order to build mutual insurance mechanisms and survival strategies, the capabilities of the poor to cope with risk and vulnerable situation may leverage by exchanging necessary information and knowledge, establishing norms of reciprocity and trust, enforcing contacts with others, creating informal credit networks, and making access to formal resources and services. At present, collective action suffers from the tragedy of the commons that can be solved through investing in social capital. It upholds the living conditions of the poor through cooperation and coordination in order to organize collective action and distribute mutual benefit for all. From the discussion mentioned above, it is clear that there is some debate about the output of existing empirical studies on social capital and poverty nexus.

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networks and associational membership that affect the ability of individuals to work together to achieve common goals (Knack 2002: 42).

Dilemma of the Causative Effects

There exists a dilemma about social capital and poverty nexus. The dilemma is whether social capital affects poverty or poverty affects social capital. But, there is no reasonable answer to this dilemma because most of the empirical studies indicate that social capital has an influence on poverty. No empirical study has examined the impact of poverty on social capital although wealth, resources, income and time, and social status are needed for stocking and using of social capital.

Effect of Social Capital on Poverty

Although poverty depends on the stock of social capital, the level of social capital also depends on the level of poverty. Whether social capital affects poverty or poverty affects social capital makes the nexus between the two concepts in puzzle. Empirical studies on this issue are divided into two distinct sides: in one side, social capital affects poverty at macro, micro and individual level. Since social capital is the source of all capital, it is such an independent variable that has important impact on poverty. The poor people receive appropriate information, knowledge and experience, reducing opportunism and making collective decision through social capital, which in turn link it with poverty (Narayan and Pritchett 1997; Grootaert 1997; Hasan and Birungi, 1999). In another side, it may decrease the level of poverty by enforcing norms of reciprocity and social trust for making cohesive society to improve pro-social behaviours that meet the adverse situations of the poor such as income fluctuation. In doing so, social capital reduces the cost of information and makes expectation and obligation of the people to return help for others and thus social capital may affect poverty through making efficient public service and indigenous insurance mechanism.

Effect of Poverty on Social Capital

Poverty also affects the stock of social capital. This issue is analytically missing in the studies on social capital and poverty. It is seen that poverty may influence social capital in at least two ways. The first way is clearly related to the wealth, resources, income and time. Due to the lack of these four issues, the poor discourages to form and participate in the organization, especially in hierarchical organization. This is why the poor are excluded from the social networks and fail to establish norms of reciprocity and maintain trust among them. The second way depends on the existing social stratification of the society. The poor people live at the bottom of such stratified societies. So, they are not welcomed for entering in hierarchical network or organization. In any network a member is expected to make some contributions, no matter those contributions are material or non-material resources. The poor do not contribute material resources and their non-material resources may not be much appreciated in the organization. This is how poverty does impact the stock of social capital

UNKNOWN AVENUES

By reviewing the existing literature, there are many mechanisms found to make a nexus between social capital and poverty. Most of the literature takes a narrow view to conceptualize both social capital and poverty. At the same time, it includes very simple mechanism to make the nexus in spite of having wider and broad mechanisms—participation, empowerment and collective action.

Although the empirical studies include many mechanisms to make a nexus between social capital and poverty, but they fail to include wider and broad mechanisms by which capital may be (de)formed and poverty or wellbeing might be influenced. The poverty or wellbeing of the people mainly depends on the stock of capital (physical, human and social) of the people. The capital do not (de)form

directly by social capital, rather there are at least three issues necessary for capital (de)formation. These issues are participation, empowerment and collective action. Social capital is generated and regenerated by the participation in association or different activities (Edwards 2004:43; Putnam 1993: 63; Coleman 2000: 16).

Participation makes such a change by which people interact with each other, form norms of reciprocity and trust which encourage them to share information, reduce opportunistic behaviour and make collective decision. By participating in association and different activities, people can be empowered through learning by doing (Coleman 2000:20; Burt 1993 cited in Sandefur and Laumann 2000: 75; Adler and Kwon 2000:105). Without empowerment of the people, they cannot raise their voice, demand and needs, even they cannot get access to the resources and services. Another important issue is collective action that binds the society or association together. The development of the people in association depends on the undertaking mechanisms to solve the collective action problem (Ostrom and Ahn 2003: xiii). Most of the development efforts fail due to the tragedy of commons, but this problem can be solved through organizing collective action (Wong 2007:21; Ostrom 2000:192; Grootaert and Bastalaer 2002:55).

Since participation, empowerment and collective action influence directly to capital (de)formation that can affect the poverty or wellbeing, these three issues are very important to make a nexus between social capital and poverty. Although the existing literature discuss about the nexus between the two concepts, they do not include participation, empowerment and collective action. Since no study includes these three important issues in making nexus between social capital and poverty, these three issues are really unknown to date.

RESEARCH QUESTIONS AND OBJECTIVES

The core question of the proposed study is whether there exists any nexus between social capital and poverty through capital (de)formation, and if yes, how?

With reviewing the unknown avenue, it is hard to know the real mechanisms for making nexus between social capital and poverty. Presumably, either it may be through participation or it may be through empowerment or it may be through collective action. These three issues may jointly be the core mechanisms for making nexus between the two concepts. Accordingly, the key questions those arise are:

1. Whether participation impacts capital (de)formation, if yes, how and to what extent that impacts social capital and poverty nexus?
2. Whether empowerment of the people affects the nexus between social capital and poverty, and if yes, how and to what extent does it promote poverty through capital (de)formation?
3. Whether collective action affects poverty through (de)formation of capital, and if yes, how and to what extent social capital and poverty nexus is sustained?

The principal objective of the proposed study, accordingly, is to assess whether there exists any nexus between social capital and poverty through capital (de)formation, and if yes, how the nexus takes place. The specific objectives are to:

1. analyse whether participation impacts capital (de)formation, if yes, how and to what extent it impacts social capital and poverty nexus.
2. examine whether empowerment of the people affects the nexus between social capital and poverty, and if yes, how and to what extent it promotes poverty or wellbeing through capital (de)formation; and

3. explore whether collective action affects poverty through (de)formation of capital, and if yes, how and to what extent social capital and poverty nexus is sustained it.

This dissertation has five core chapters along with introduction and conclusion. The second chapter is the conceptual and methodological frame. The third chapter is poverty or wellbeing? Capital (de) formation through participation. Towards inter-linkages: empowerment and wellbeing is the fourth chapter. The fifth chapter is collective action and poverty linkages through capital formation. The sixth chapter is the impact of social capital on poverty.

CHAPTER II

CONCEPTUAL AND METHODOLOGICAL FRAME

Both conceptual and methodological frame is important for conducting research. Social capital has many meanings to many people. The same argument might be said for the poverty. In order to make a nexus between social capital and poverty, it is essential to conceptualize the both concepts. Methodology is a research design that indicates different steps of collecting and analyzing evidences. The aim of this chapter is to analyze detail the both conceptual and methodological frame.

CONCEPTUALIZING SOCIAL CAPITAL AND POVERTY

Both social capital and poverty are multifaceted concepts. Social capital has many meanings to many people whilst poverty is many things to many people. As social capital holds the society together, it is used by different way by the scholars. The popular aspects of social capital are the social networks, trust and norms. In case of poverty, it is conceptualized by those aspects in which it is put. The most used and accepted term applied in this regard is income poverty. Debate goes on about the definition of the both concept. A universally accepted definition of the two concepts is yet to be devised. Accordingly, it is necessary to conceptualize the concept of social capital and poverty.

Conceptualizing Social Capital

The term social capital is a new and articulated, but a buzzword concept in the development lexicon. Though the spirit of social capital has a long intellectual history in the social science, the concept has been being grown its attention to the researchers and academicians from the early nineties. The philosophy in which the term is used today goes more than ninety years back to the writing of Hanifan, who then used the

term social capital[6] in explaining the role of community participation in enhancing school performance. Afterwards, it was waxed and waned for many years. It was reinforced in the 1961 by Homans[7]—an exchange theorist, and in the 1977 by Loury[8]—an economist. Just after seventies, the concept of social capital has been defined by different scholars in different meanings, but it was popularized by Bourdieu (1980, 1986), Coleman (2000) and Putnam (1993). As Debate goes on the definition of social capital, it has many meanings to many people. However, a universally accepted definition of it is absent to date.

Pierre Bourdieu

Focusing on a sociological approach influenced by Karl Marx, Bourdieu—the pioneer of social capital literature—categorized capital into three: economic (money and property), cultural (education and knowledge) and social (social connection and group membership) arguing against a purely economic interpretation of capital. According to him, the concept of social capital is bound to the notions of class and social struggle where it becomes a resource during social struggle because it keeps the people together. These three forms of capital can be converted into one another using

[6] "those tangible substances (that) count for most in the daily lives of people: namely good will, fellowship, sympathy, and social intercourse among the individuals and families who make up a social unit…if (an individual connects) into contract with his neighbor, and they with other neighbors, there will be a accumulation of social capital, which will may immediately satisfy his social needs, and which may bear a social potentiality sufficient to the substantial improvement of living condition in the whole community" (Hanifan 1916: 130).

[7] "the capital may take the form of unusually well-disciplined soldiers, it may take the form of a surplus food or money; most important of all it may take the form of a moral code, especially a code supporting trust and confidence between men: a true belief that they will not always let you down in favor of short-term gain. … If (they)…had enough of what I have called social capital , material and nonmaterial, to keep the strike up, they would have forced the company to accept the union" (Homans 1961: 386)

[8] He did not go on to develop the concept of social capital in any detail. He seems to have run across the idea in the context of his polemic against orthodox labor economics, but he mentions it only once in his original article and then in rather tentative terms. According to him, the concept captured the differential access to opportunities through social connections for minority and nonminority youth. (Loury 1977: 176).

transformation of labor[9]. In case of transformation from one capital to another capital, he argues that social capital can under certain conditions be converted into economic capital. Social capital is a relationship-based capital that provides effective support by collectivity when it is needed or used.

> "social capital is the aggregate of the actual or potential resources which are linked to possession of a durable network of more or less institutionalized relationships of mutual acquaintance and recognition—or in other words, to membership in a group—which provides each of its members with the backing of the collectivity-owned capital, a 'credential' which entitles them to credit, in the various sense of the word" (Bourdieu 1986: 248-249).

He defines social connection and group membership as social capital that is arisen by the durable network. This networks create creates honor, reputation and trust among its members. The membership in a group provide safety and status credit for each other, and the relations among the group members are sustained by material and/ or symbolic exchange (e.g. gifts or greeting each other). The core idea of this definition is that social capital can be transmitted into other forms of capital by three routes—institutionalization, investment and benefits. In this case, the institutionalization of exchange may occur by two ways: (i) adaptation of a common name, which displays the membership in a special group, and (ii) the institutional acts or activities that are used to form the group and to inform the members participating in them about the composition of the group (Bourdieu 1986: 249). The process of transformation requires investment of time and money to build networks. Benefits from these investments can only be

[9] This transformation is occurred by exchanging mechanism. For instance, money or economic capital can be exchanged for cultural capital formation. Specific goods can be gained directly in association with economic capital while it might be achieved due to social relations or social commitment (social capital). This form of capital—social capital—is very important because societies consist of different groups that have various amounts of economic, cultural and social capital at their disposal. For example, the upper class academics have a high amount of social capital and a small amount of economic capital while the businessmen dispose of much economic and little cultural capital. In social field, the different kinds of capital appear in various amounts and have different values. Which capital develops the highest effectiveness in a specific field depends on the respective area of application and on the cost of transformation that arise in the conversation process of one capital into another (Bourdieu 1983: 183-197 cited in Hauberer 2010:36).

gained if the individual understands the outcomes of connections and real relations in the group and learns how to use it for transforming social capital into other forms of capital. The profits cannot be gained by an outsider of the group. Despite Bourdieu‘s contribution to the field of social capital, he neglects the role of organizations and makes few attempts to provide an operational definition of it.

James Coleman

Coleman expands the definition of Boudieu. He introduces the concept as a tool for analyzing the theory of rational action in which each actor has control over certain resources and interests in certain resources, and then social capital constitutes a particular kind of resource available. According to Coleman,

> “Social capital is defined by its function. It is not a single entity but a variety of different entities, with two elements in common: they all consist of some aspect of social structure, and facilitate certain actions of actors—whether personal or corporate actors—within the structure” (2000:16).

From the outsider, this definition broadens the concept to include the vertical as well as horizontal associations and behavior of other entities, such as firm. This wider range of associations covers both negative and positive objectives. He explores clearly “A given form of social capital that is valuable in facilitating certain actions may be useless or even harmful for others” (Coleman 2000:16). Unlike other forms of capital— which tend to be private goods, social capital is a public good and it inheres in the structure of relations between actors and among actors. According to him, it is generated and regenerated by three important forms: (i) obligations and expectations that depend on trust within the social environment, (ii) the capacity of information sharing that provides a basis for actions, and (iii) the presence of social norms and sanctions due to a rejection of those norms. In fact, this view of social capital captures not only social structures at large but the ensemble of norms governing interpersonal behavior also.

Robert Putnam

Putnam provides the most famous, empirically tested and, in some sense, narrowly defined definition of social capital. According to him, social capital is a set of horizontal associations among people who have an effect on the productivity of the community. These associations include networks of civic engagement and social norms also. In this point, he redefines social capital as the features of the community. It is the "features of social organization such as networks, norms, and social trust that facilitate coordination and cooperation for mutual benefit" (Putnam 1993:67). The relations between individuals form social networks, norms of reciprocity and trustworthiness (Putnam 2000: 18-19). These characteristics of social life are social capital because they allow participants to act together more effectively to reach collective goal.

Two assumptions underlie this concept. The first is that networks and norms are empirically associated. The second is that they have important economic consequences. Again, he adds that the special feature of social capital is a public good—not private good—that accumulates through use (Putnam 1993:170). Another factor that has been disputed by many scholars is that networks built around horizontal links form the key to social capital formation and that a vertical network—no matter how dense and no matter how important to its participants— cannot sustain social trust and cooperation (Putnam 1993:174).

This narrow definition of social capital has been contested by some subsequent theorists, who argue that vertical ties and vertical association also form an important source of social capital (Woolcock 2000). This definition explores micro level analysis, but fails to examine the macro level analysis of social capital.

Broaden Understanding of Social Capital

Scholars and academicians have offered a number of definitions, which is shown in a Box 2.1. These definitions may be divided into two broad categories depending on external and internal relationship. While the relations maintained by an actor with other actors are external relations, the relation that determines the internal structure of an organization is internal relations. The first group—external linkage-based social capital theorists—along with Bourdieu, Burt and Portes highlights social capital as a resource accumulated by a actor through certain actions and a resource that inheres in the social networks between and among actors. Most of the sociologist put their attention on this view with the presumption that the action of individuals and groups can be greatly facilitated by their membership in social networks.

Alternatively, the some other scholars along with Coleman and Putnam focus on internal linkages as social capital. It is a feature of the internal linkages that characterise the structure of the collective actors (groups, organization, community *etc.*) for mutual benefits and give them social solidarity and peace. This view is more common in political scientists and development economics. These two views, however, are not mutually exclusive. Both external and internal linkages can /may facilitate collective action. The capacity for collective action is typically a function of both the resources.

Box 2.1. Definition of social capital

Authors	Definitions of Social Capital	External versus Internal
Baker (1990: 619)	"A resource that actors derive from specific social structures and then use to pursue their interests; it is created by changes in the relationship among actors"	External
Belliveau, O'Reilly, Wade (1996: 1572)	"An individual's personal network and elite institutional affiliations".	External
Bourdieu (1986: 248-249)	"The aggregate of the actual or potential resources which are linked to possession of a durable network of more or less institutionalized relationship of mutual acquaintance and recognition–or in the other words, to membership in a group which provides each of its members with the backing of the collectivity-owned capital, a 'credential' which entitles them to credit, in the various sense of the word".	External
Bourdieu Wacquant (1992: 119)	"The sum of the resources, actual or virtual, that accrues to an individual or a group by virtue of possessing a durable network of more or less institutionalized relationships of mutual acquaintance and recognition".	External
Boxman, De Graai. Flap (1991: 52)	"The number of people who can be expected to provide support and the resources those people have at their disposal"	External
Burt (1992:9)	"Friends, colleagues, and more general contacts through whom you receive opportunities to use your financial and human capital"	External
Portes (1998: 6)	"The ability of actors to secure benefits by virtue of membership in social networks or other social structures".	External
Brehm and Rahn (1997:999)	"The web of cooperative relationships between citizens that facilitate resolution of collective action problems".	Internal
Coleman (2000: 16)	"Social Capital is defined by its function. It is not a single entity, but a variety of different entities having two characteristics in common: They all consist of some aspect of social structure, and they facilitate certain actions of individuals who are within the structure".	Internal
Fukuyama (1995: 10)	"The ability of people to work together for common purposes in groups and organizations".	Internal
Inglehart (1997: 188)	"A culture of trust and tolerance, in which extensive networks of voluntary associations emerge".	Internal
Portes and Sensenbrenner (1993: 1323)	"Those expectations for action within a collectivity that affect the economic goals and goal' seeking behavior of its members, even if these expectations are not oriented toward the economic sphere' (Portes and Sensenbrenner".	Internal
Putnam (1993: 67)	"Features of social organization such as networks, norms, and social trust that facilitate coordination and cooperation for mutual benefit".	Internal
Thomas (1996:11)	"Those voluntary means and processes developed within civil society which promotes development for the collective whole".	Internal
Loury (1992: 100)	"Naturally occurring social relationships among persons which promote or assist the acquisition of skills and traits valued in the market place. . . an asset which may be as significant as financial bequests in accounting for the maintenance of inequality in our society".	Both

Nahapiet and Ghoshal (1998 :243)	"The sum of the actual and potential resources embedded within, available through, and derived from the network of relationships possessed by an individual or social unit. Social Capital thus comprises both the network and the assets that may be mobilized through that network".	Both
Pennar (1997: 154)	"The web of social relationships that influences individual behavior and thereby affects economic growth".	Both
Schiff (1992: 160)	"The set of elements of the social structure that affects relations among people and is inputs or arguments of the production and/or utility function".	Both
Woolcock (1998: 153)	"The information, trust, and norms of reciprocity inhering in one's social networks".	Both

Source: Adler and Kwon (2001: 91-92)

In addition with the external linkages, social capital may expand it synergetic relationship with social and political environment. These two elements are essential for enabling norms developed and shaping social structure. Thus, it is needed to include formalized institutional relationship and structure— such as government, political regime, the rule of law, and civil and political liberties—in conceptualizing social capital (Seregeldin and Grootaert 2000: 46). This view of social capital includes not only government social capital—rules, liberty, regulation *etc*— but also civil social capital (Collier 2002: 36-37; Knack 2002: 42).

In order to broaden the concept, social capital is explored by two interrelated categories—structural and cognitive. The structural category is associated with various forms of social organization, particularly roles, rules, precedents and procedures as well as a wide variety of networks that contribute to cooperation, and specially to mutually beneficial collective action. The cognitive category derives from mental processes and resulting ideas, reinforced by culture and ideology, specially norms, values, attitudes and beliefs that contribute cooperative behavior and mutually beneficial collective action (Uphoff 2000: 218). These two forms of social capital are importantly linked with the institutional and relational capital (Krishna 2000: 76). So, the concept of social capital should not be limited within internal and external relations; rather it should be expanded in a wider space, which include both social and political environment.

While social capital is largely understood to be a multidimensional concept, much of the literature in this field focuses on the role of trust. In spite of having the debate on the definition of social capital, the definition of it depends on how one conceptualize it under what condition. Social capital is analyzed in both macro and micro level. While it includes the macro level analysis, it should be incorporated with the broad definition. In case of micro level and association-based analysis, social capital should be conceptualized within the frame of internal features and linkages of the association. This study has explored social capital generated and regenerated by the OIAs. Accordingly, social capital is defined with the elements—network of relations, trust and norms of reciprocity—of Putnam's approach.

Network of Relations

Social network is a system of communication and interaction with others. It may protect and promote social relationship. The network of relation is structural. It is also characterised by its form and nature of whether the network will be closure (Coleman 1988: 23; Burt 2000:6). Network of closure is often called dense network that binds the people together. However, social network has two specific forms: one-way and reciprocal (Collier 2002: 24). The best examples of one way form of social network are observation and hierarchy, where one person watches and collects information, knowledge and experience through copying and pooling mechanism. The reciprocal form of social network includes club and network where no formal and organised members exist. Since the poor people are homogeneously organized, hierarchical and observational based one-way form of networks of relation is the core area of social capital analysis.

Norms of Reciprocity

Norms of reciprocity is the exchange of expectations and obligations. A person does something for others and expects that they will support her/him in need. It is not structural but lies in people's mind. It is reinforced by social support, status, honour and other rewards. In fact, norm of reciprocity are that norm for which one forgoes self-interest and act for the collective interest (Coleman 2000: 22). Again, it is one kind of behavioural strategy—rules and roles for which people can build reputation to keep their word (Dasgupta 2000: 341). For example, while someone's house or cottage is burnt, neighbours come together to help the family to rebuild the house.

Why does such type of collective action exist in society or group? It is possible for two reasons: (i) well-recognized leadership within the society and (ii) motivation of the neighbours geared up by social norms. Researchers argue that norms of reciprocity might be structural as well as cognitive (Krishna and Shrader 2002: 20). For these reasons, every community or society or group have some norms of reciprocity in order to keep social cohesion, social peace and social security. There are two forms of norms: ascribed and achieved. Both forms of norms are reflected in the life cycle of the people through giving punishment and reward. If one obeys the norms of the society, (s) he will be rewarded, and if one tries to break down the existing norms of society, (s) he will be socially punished. Thereby, it reduces the opportunism and makes collective decision that links with collective action. In the proposed framework, norms of reciprocity mean the informal rules and roles of the associations that are abided by every member.

Trust

Trust is an important element of social capital. It is the lubricant of civic life (Putnam 2000: 21-22). Trust develops among the people through a reputation circle of expectation and obligation that make trustworthy environment within the society

(Coleman 2000: 20-21). Closed social structure and networks of relation exist among all actors to be needed also for trustworthy environment in which expectation and obligation can be raised and sanctioned effectively. The higher level of mutual trust in society has higher probability of working together and cooperation with each other. Cooperation itself fosters trust that can be reinforced by two closely tied sources: norms of reciprocity and networks of relation.

Trust is associated with network of relation and norms of reciprocity because trust may be strengthened through reputation of the above two elements. The reputation of expectation and obligation provided by network of relations make a perception of mutual support, which in turn help to organize collective action. Here, trust will include general trust among the members and trustworthy environment within the associations. The key elements of social capital are presented in figure 2.1.

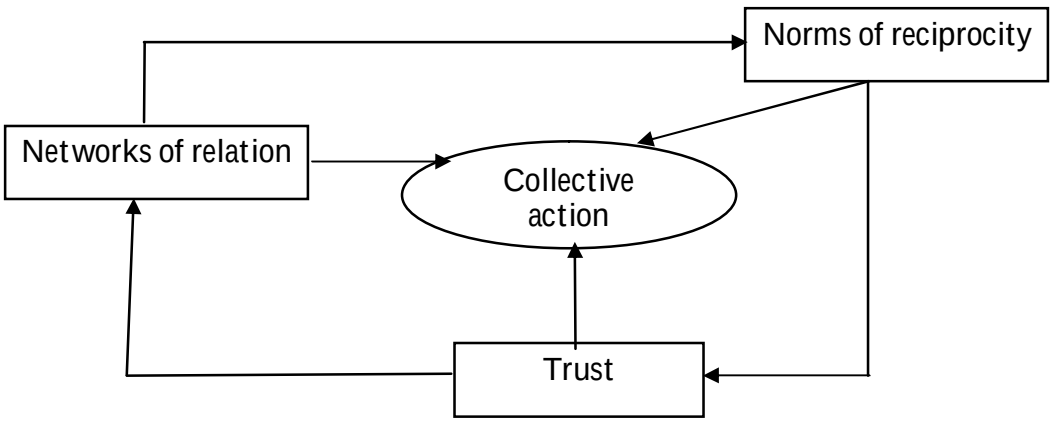

Figure 2.1. Key Elements of social capital

These three elements of social capital—networks of relation, norms of reciprocity and trust are linked with each other. Without the combination of these elements in social capital conceptualization, it is hard to organize collective action because these three elements work together for collective decision and collective action.

The Concept of Poverty

Poverty has many definitions due to the on-going debate on this concept. Nonetheless, a universally accepted definition of the term is yet to be devised. For many decades, it takes several meanings such as social poverty, pauperism and moral poverty. Social poverty is a relative term that includes both economic (viz. property, income and living standard) and social inequality (for example, relation of inferiority, dependence and exploitation), whilst pauperism indicates those who are unable to maintain themselves at all without outside assistance. The moral poverty is a poverty situation that is morally acceptable where the poor fill their satisfaction. In the context of Bangladesh, it contained three meanings: journalistic meaning, absolute poverty and relative poverty (Maloney 1991: 7-8).

Despite these meanings, the most popular and applicable form of poverty is income poverty. The income poverty approach categorises nations and people according to a polar criterion of being either above or below the line. The notion of relative poverty that came next was very important because it shifted attention to issues than income (Hossain 2002:27). Although income poverty has been highly criticised as an analytical framework to understand and explain poverty, it is still used as a tool to measure one of many aspects of poverty. The critique of income poverty is that it does not estimate other issues—viz. income fluctuation and powerlessness of the poor. There are many literatures where poverty is identified as a consequence of income fluctuation and powerlessness of the poor. These two issues are important to wider understanding of poverty. With a combination of income, income fluctuation and powerlessness, poverty has been conceptualized in this study.

CONCEPTUAL FRAMEWORK

There are many empirical studies on social capital and poverty linkages. While to some studies, it can increase the household income and village level income, to other some studies, it is a necessary tool to cope with the risk like income shock or income fluctuation. Again, there are other some studies which inform that it can increase or decrease the power of the people. In order to make nexus between social capital and poverty, the existing empirical studies have made some conceptual frame. But, the conceptual frame is not same; rather it varies from study to study in terms of conceptualizing social capital, poverty and mechanisms.

Narayan and Pritchett (1997) define the quantity and quality of associational life and the related norms as social capital and lacking of income as poverty. In order to link social capital with poverty, this study provides some mechanisms through which social capital increases the household income as well as village level income. These mechanisms are public sector efficiency, community cooperative actions, diffusion of innovation, perfect information and informal insurance.

The role of social capital on poverty was addressed by Grootaert (1999) in terms of its contribution to increase income. With conceptualizing social capital as the ability of actors to secure benefits by virtue of membership in social network and other social structure, this study focuses on membership in local association as social capital. At the same time, it also includes income as the determinant of poverty. According to this study, social capital increase household income by accumulation of asset, increasing access to credit and organizing collective action through three important mechanisms—sharing information, reducing opportunistic behaviour and making collective decision.

In a seminal study, Narayan (1999) include cross-cutting ties and interaction between formal and informal institutions as the two aspects of social capital and lacking of income as poverty. For making a nexus between social capital and poverty, this study uses five important mechanisms: sharing information, inclusive participation, conflict management, education and values, economic restructuring, governance and decentralization and demand driven service delivery.

Collier (2002) provides a conceptual frame in order to make linkages between social capital and poverty. While social capital is defined by Social interaction, poverty is measured by income. Social capital affects poverty by providing three externalities: sharing knowledge, reducing opportunistic behaviour and collective action. The first externality—sharing knowledge has two forms —knowledge about the other agents and the non-behavioural world such as price and technologies. By the mechanisms of copying and pooling, people share both types of knowledge that can diminishes the danger of opportunistic behaviour and so reduces transaction costs. Reduction in opportunism is achieved through repeat transactions and reputation. Repeat transactions produce a promise-trust bilateral relationship while reputation enables those who are in a promise-trust relationship to access many other transactions. Collective action is achieved by norms and rules that help to overcome the free-riding problems. It enables groups to impose sanctions against opportunistic behaviour, establish rules for the management of common pool resources, provide public goods, and reap scale economies through such mechanisms as insurance and rotating saving and credit associations.

In a macro level analysis, Knack (2002) make a linkage between social capital and poverty through examining the five mechanisms— enforceability of contracts, rule of law, extend of civil liberties, group membership and cultural polarization. This study defines social capital as the features of both government and civil society and poverty as lacking of income. The countries with higher level of social capital can enrich the above mentioned five mechanisms and thus reduce the level of poverty.

The existing conceptual frame regarding social capital and poverty nexus used by different empirical studies varies from study to study. These differences are made due to considering different definition of social capital and poverty and using different mechanisms. The conceptual frames mentioned above are very important to gather important message about the linkages between social capital and poverty, but those frames do not include participation, empowerment, collective action in making the nexus between social capital and poverty. Participation, empowerment, and collective action affect capital (de) formation, and the capital (de) formation influence the level of poverty. These three routes through which capital is (de) formed transforms social capital into the poverty or wellbeing of the people. With reviewing the existing conceptual frame and taking some existing mechanisms, this study has made an original conceptual frame through including participation, empowerment, and collective action which make the linkages between social capital and poverty through capital (de) formation. Although there are some other ways to make the nexus between social capital and poverty, this frame is an original one.

The envisaged conceptual frame shows the nexus between social capital and poverty through capital (de)formation. Considering the action and outcomes of the nexus, there are two parts of the framework. The first part is the nexus between the two concepts in action while the second part is the outcomes of the nexus. The first part is again broken up into three core issues—viz. participation, empowerment, and collective action and the second part is separated into two categories: capital (de)formation and poverty or wellbeing. Each of the three core issues is consisted of some specific issues through which the first part influences the second part. Firstly, the first part affects the capital (de)formation, and secondly the capital (de)formation links with poverty or wellbeing. The framework about the nexus between social capital and poverty is elaborated below.

Social Capital and Poverty Nexus in Action

Although the impact of social capital on poverty is empirically proven, the role of poverty in stocking and using social capital is empirically and analytically missing till date. In order to make networks of relation, norms of reciprocity and trust—social capital, it is essential for the people to participate in association and others activities. For this reason, participation is an important issue of social capital (Edwards 2004:43; Putnam 1993: 63; Coleman 2000: 16). The term is used in different names, like 'engagement' (Putnam 1995:3) and 'embeddedness' (Esses 2008:44). Again, the next issue of social capital is empowerment that is associated with power, influence and control over resources and services. The power, influence and control benefits promote the ability to influence others (Coleman 2000:20) and the ability to be free from others' influence (Burt 1993 cited in Sandefur and Laumann 2000: 75; Adler and Swon 2000:105). Since power, influence and control over others are the output of social capital, empowerment is an important function of social capital.

From village to international communities, the economic and political performances of societies depend critically on how the members of a community solve the problem of collective action (Ostrom and Ahn, 2003: xiii). The relevance of collective action lies in the coordination and reciprocity and understanding of the processes that determine the interaction of people with their resources (Wong 2007:21). Many successful efforts fail due to the tragedy of commons that can be solved by organizing collective action (Ostrom 2000:192; Grootaert and Bastalaer 2002:55). Accordingly, collective action is an output of social capital. These three issues jointly influence (de)formation of capital which can determine the poverty or wellbeing.

From the above discussion, it is evident that some literatures focus on the participation in associational or other activities while some other literatures give attention to the empowerment. There are many literatures which underscore collective

action to solve the problem of tragedy of commons. Therefore, these three issues—viz. participation, empowerment, and collective action—may affect the nexus between social capital and poverty through (de)formation of capital, which is presented in figure 2.2.

Participation

Participation is a process through which people seek to have some influence and to gain access to resources which would helps them to sustain and improve their living standards. The term is used to answer the question of who participate in what. As it resides in people's mind, it is the exercise of people's power in thinking and acting, and controlling their action in a collective framework (Rahman 1994: 150). Although social capital is a new term in the development discourse, it is formed and reformed through participation. However, it can take different forms (Huq 2001: 161). Here, participation stands for association, problem analysis, activities and benefit sharing.

Association

Association unites people frequently from different kin groups, who work together for a common purpose and they have a visible identity. The association has defined structure, roles and rules through which people participate in it and operate. Association nurtures self-help, mutual help, solidarity and cooperation which in turn affect the capital (de)formation (Colletta and Cullen 2000: 9). Since social capital is formed and reformed within appropriate association, participation in association is the centre point of stocking social capital. Without participation in associations, people cannot interact with each other, build trust of cooperation and form norms of reciprocity among them. The stock of and capability to use social capital depend on the formation, internal features and effectiveness of the association.

Problem Analysis

Participation in problem analysis is a way to discuss the members' personal and associational problems with all. It is an important mechanism to solve the collective action problem. What types of problem are discussed, what types of problems are given priority to and what are the protective measures need to be undertaken to solve the problem are also essential to build social capital. The appropriate answers to these questions are explored through participation in problem analysis or meeting by all.

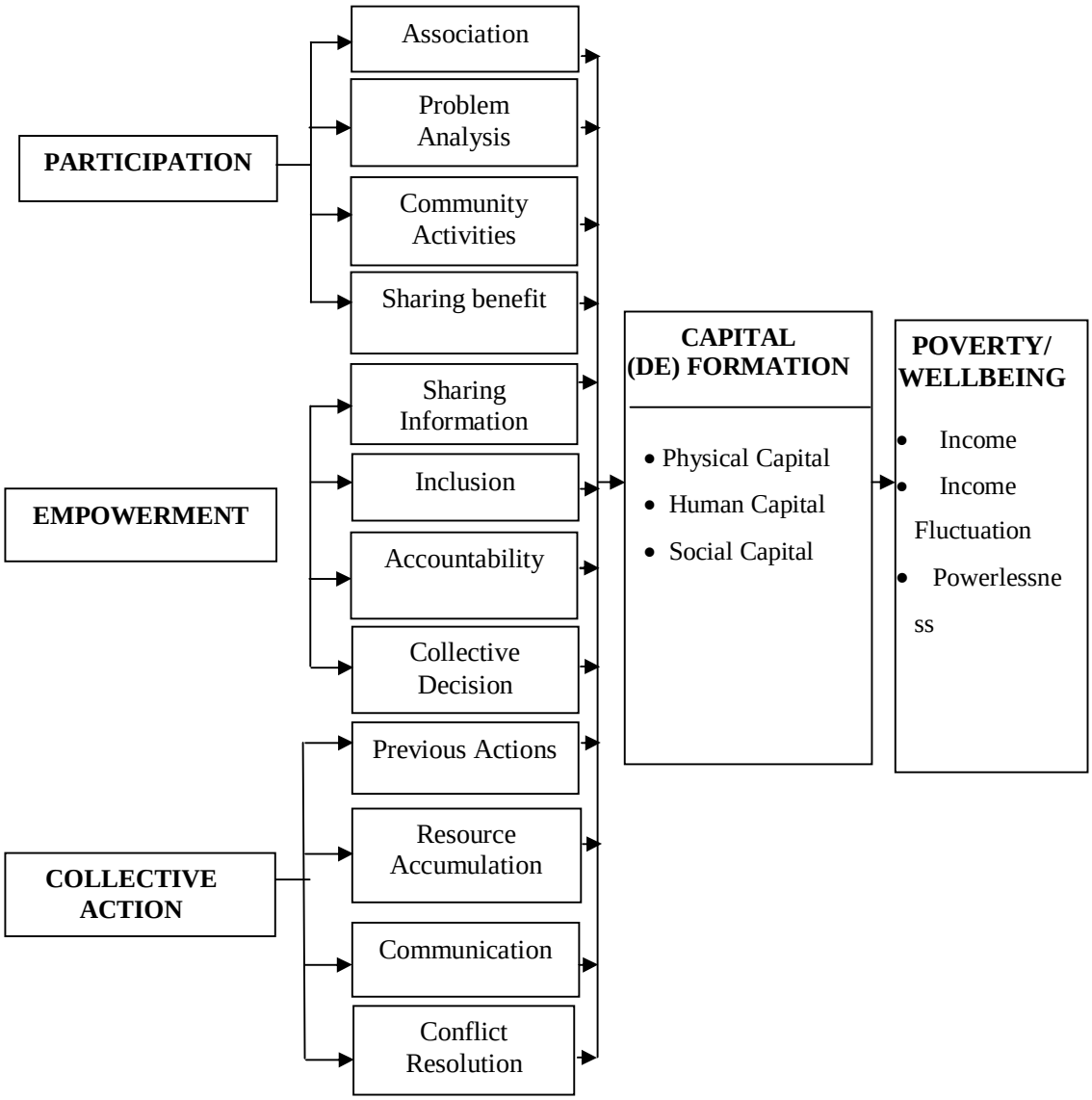

Figure 2.2. Conceptual frame of social capital and poverty nexus

Community Activities

Activities are different types of associational functions. If the people explicitly coordinate their activities to achieve common goals, they then form an association. Goals can help the association to determine what it should do (Thio1991: 80). Whatever the activities might be, the association develops certain common means for achieving them through ensuring participation of its member in community activities. By participating in community activities, people can increase feeling of solidarity, strengthen social cohesion, improve communication, and learn coordinated activities by the process of learning by doing. Without participation in community activities by the members of the association, the stock of bridging social capital does not increase. There are many community activities in the society, but core activities are considered in this study. Accordingly, this conceptual framework includes the three community activities. These are civic, voluntary and social activities.

Benefit Sharing

There are unequal distribution of benefit exists in the society which make collective action problem. Some people are selfish and represent opportunistic behaviour that creates conflict, exclusion and free-riding problem in the association or society. If there is enough opportunity to participate in benefit sharing by all, every people would be encourage to act collectively that increases the stock of social capital. The term is used in the name of mutual benefit, mutual support or exchange of externalities (Putnam 1993:73). Some literatures use it with its antonym term—opportunistic behaviour that is related to some selfish persons and thus it can lead to market failure and reducing wellbeing of the people (Bastelaer 2002: 237). Benefit sharing can be established through reducing opportunistic behaviour by sanctioning punishment and reward (Grootaert and Bastelaer 2002: 3). Participation in benefit sharing has been measured by three ways—viz. equal distribution, mutual distribution and coercive distribution in this study.

Empowerment

The term empowerment bears many meanings to many people within different socio-cultural and political contexts. It includes, among others, self-strength, control, self-power, self-reliance, own choice, life of dignity in accordance with one's values, capacity to fight for one's rights, independence, own decision making, being free, awakening and capability. It is relevant at the individual and collective level and can be economic, social, or political. The term can be used for making relations within households or between poor people and other actors. In its broadest sense, empowerment is the expansion of freedom of choice and action. It means increasing power, influence and control over the resources and decisions that affect one's life. So, "empowerment is the expansion of assets and capabilities of poor people to participate in, negotiate with, influence on, control over, and hold accountable institutions that affect their lives" (Narayan 2002: 15). There are four key elements of empowerment: access to information, inclusion, accountability, local organizational capacity (Narayan 2002:18). This study argues that collective decision is linked with local organization capacity as well as empowerment. While the participants of an association can make decision for acting together, they can improve the local organization's capability effectively. By removing local organizational capability from the key elements, this study has included collective decision making power as an element of empowerment. Hence, this study has analyzed empowerment through sharing information, inclusion, accountability, and collective decision making power.

Sharing Information

Information is an important externality of social capital, but it is also a part of empowerment. Those who have enough and essential information in their stock are better equipped to take advantage of opportunities, access to service, exercise their

right, negotiate effectively, and hold state and non-state actors accountable. Timely access to information in local languages from independent sources at the local level is particularly important for formation and deformation of capital. Appropriate and timely information about others can reduce opportunistic behaviour and make collective decision (Coleman 2000:25; Serageldin and Grootaert 2000: 47-48), and thus it links with poverty or wellbeing of the people. Social capital generates two types of information: (i) knowledge about the behaviour of others and (ii) knowledge about the non-behavioural environment such as information about price, technology so on and so forth (Collier 2002: 24). Both types of knowledge and information are collected through the process of copying and pooling. Here information sharing stands for: (i) types of information, (ii) mechanism of sharing information and (iii) media. Inclusion

Inclusion is another important element of empowerment. It is a process to include someone into the association and its activities. There are several examples that poor people exclude from association, resources and services due to the exploitation of the non-poor. Inclusion can solve these problems to include the poor into resources, services and opportunities, which can influence capital (de)formation. Inclusion may be direct and indirect. The direct inclusion refers to the shortest involvement of the poor in associational meeting, decision making and activities in order to gain access to resource, services and opportunities. The indirect inclusion includes poor people's needs, abilities and skills by collecting information from other levels. To identify the empowerment, both bonding (inside the association) and bridging (outside the association) inclusion would be incorporated.

Accountability

Accountability means the ability to collecting information about the policies, activities, resources, services and funds from the organizational leaders or public officials or service providers. Since the poor people have limited access to the official,

resources and services, they cannot organize themselves and raise their voice to make the organization or institution transparent. This way they get fewer options to use the resources and services. The fact is same for the accountability of public resources at all levels. This can be ensured through taking decisions about all activities from bottom to top level, which makes fund management transparent. At community level, it includes poor group's voice, choice and funds to purchase technical assistant from any provider (Narayan and Prittect 1997: 36). Accountability has main three forms—political, administrative and public. The political accountability is related to the leadership whilst administrative accountability is associated with finance (fund). The public accountability is related to the service provider. In the proposed conceptual framework, accountability has been examined in terms of leadership, fund and distribution of the benefit of the associations.

Collective Decision

Collective decision is a major part of collective action as well as social capital. It is now considered as important precondition for the provision of public goods and the management of market externalities. Due to lack of power and influence, the local or voluntary association do not always effectively maximize their ability to make collective decision. Whilst the resources, services and benefits of an association are equally distributed among the members, it work more effectively to enforce common agreement and cooperative action and thus collective decision is made (Serageldin and Grootaert 2000: 49). For making a decision, there are four steps: (1) premising, (2) identifying alternatives, (3) the evaluation of alternatives in terms of goals sought, and (4) the choosing of an alternative, that is, making decision (Koontz and Weihrich 1989: 135). Since the poor have no power to control over people, it is hard, but not impossible, for them to make collective decision. In this conceptual framework, collective decision making includes four specific issues which are: power of, control over, process of and effectiveness of making decision.

Collective Action

Collective action is an output of social capital. It means to work collectively to achieve common goal for mutual benefit. It becomes successful when each member in a community or association or society commonly abides by the rules that have been formed collectively[10]. There are many areas where collective action may be organized. There are four specific issues: (i) decision making, (ii) resource accumulation, (iii) communication and (iv) conflict resolution (Krishna and Uphoff 1999:50). Among the issues, collective decision making power is important for both empowerment and collective action, but it is highly related with empowerment. Most of the existing studies intend to include it in exploring empowerment rather than collective action. In this sense, collective action is highly encouraged by the successful previous activities. If the people have negative experience about previous action done collectively, they would be not motivated to participate in collective action again. According to Putnam, long history of collective action is significantly associated with the present activities. This study has incorporated previous collective activity in and excluded collective decision from the elements of collective action. Here, collective action stands for: previous collective activity, resource accumulation and management, communication and conflict resolution.

Previous Collective Activity

Collective action depends on the successful collective activities done in the past. This successfulness of any activity creates an obligation in the mind of the participants for future action. Previous activities form some sorts of social relation, trust and norms among the participants, which make a synergy among them. The common

[10] Collective action becomes successful when individuals in a community commonly abide by rules that have been constructed collectively. More than force or outside coercion is involved; internalization of rules among community members is what helps induce compliance. Members organization results in rule-compliant behavior particularly when members have previously participated in the process of rule formulation (Ostrom, 1990 cited in Krishna & Uphoff, 1999: 41).

presumption of collective action is that it is organized and applied to day for tomorrow. Active participation in and future motivation for collective action are exceedingly influenced by the experience of participation in those collective that were undertaken in the past (Grootaert and Bastelear 2002: 31). Again, the higher the reputation of participation in collective action is the higher potentiality of collective action. People do not take part simply in the reputation process; rather they involve in it by the positive experience of collective action. However, social capital has been found to be high in communities in which large number of people has participated in previous collective action (Hirschman 1984). Accordingly, previous collective activity is considered an important element of collective action.

Resource Accumulation

Resource is the main element of any kind of development. Many collective action problems have arisen due to faulty design and construction, ineffective operation and insufficient maintenance, which have led to poor performance of any system (Islam and Kahkonen 2002:267; Uphoff 2000: 233-239). Violence and conflict among the members of association occurs in terms of resource distribution. So, if any organization or association can accumulate and manage its resource collectively, it can increase its capital that may link with poverty or wellbeing. The envisaged conceptual framework has included design of resource accumulation (types and sources of resources), its utilization (operation) and distribution of resources among the member (maintenance).

Communication

Communication is another part of collective action. Bonding, bridging and linking network (communication) is necessary for organizing collective action (Putnam, Leonardi and Nanetti 1993: 173). At the same time, coordination among the members

in different activities makes trustworthy environment that can lead to collective action (Coleman 2000: 20-21). Thus communication among the member of association or between associations is inevitable for collective action. Here stands for the nature of bridging communication.

Conflict Resolution

Conflict and collective action is inversely related. Conflict works clearly against development and collective action. Therefore, it is essential to take conflict resolution mechanism for any association in order to work collectively for mutual benefit. There are several causes of conflict; some of them are opportunistic behaviour, free riding problem, exclusion, inequality and indignity. However, vertical relations overwhelmed by inequality and unequal distribution of power, resources and opportunities can initiate conflict among the members of associations. Again, horizontal relations or the lack of ties between unlike groups in a multicultural society can erupt into hostility and conflict if any group is seen as monopolizing resources and power which make disadvantages for others (Colletta and Cullen, 2000:15-16). Inclusive mechanisms with cohesive society are important for mediating or managing conflict. The weaker the social cohesion, the weaker will be the reinforcing channels of socialization (value formation) and social control (compliance mechanisms). Weak social cohesion increases the risk of social disorganization, fragmentation, and exclusion which cause conflict and collective action problems. So, it is necessary to know the conflict resolution mechanisms in terms of formation, representation of members, process, and effectiveness of the process for organizing collective action.

Outcomes of the Nexus

There are different types of outcomes that come from the nexus between social capital and poverty. In the present conceptual framework, outcomes of the nexus will take only two forms: capital (de)formation and poverty or wellbeing.

Capital (De) Formation

Capital (de)formation is the outcome of the nexus between social capital and poverty. Social capital is significantly related to physical capital (Helliwell and Putnam 2000: 265) and human capital (Coleman 2000:27-30). Three types of capital—physical, human and social may be formed or deformed because of having the inverse relationship between the two concepts. One Standard Deviation increase in the village level social capital would increase at least 20 percent higher expenditure (proxy variable for income) per person in the village (Narayan and Pritchett 1997: 34). Another study revealed that 10 percent increase in social capital would lead to increase the asset ownership (capital formation) by 1.7-2.0 percent (Grootaert 1999: 40). If the nexus between social capital and poverty works effectively or ineffectively, different kinds of capital may be formed or deformed. In the proposed conceptual framework, capital includes both capability and capital. While capability is the raising voice, accessing to the power, learning about rights and meeting the emergency, capital refers to the physical, human and social capital. While human capital contains education, skill and experience of the member of the association, physical capital means income and household resources, social capital means networks of relation, norms of reciprocity and trust. The poor people may (de)form capital if they get access to and control over resources, services and other opportunities.

Poverty / Wellbeing

As has been said earlier, poverty has multifaceted characteristics; only one tool cannot fully explain the level of poverty or wellbeing of the people. Multi-dimensions of poverty or wellbeing should be included in order to understand poverty or wellbeing. There are enough evidences that social capital affects poverty in different ways. Though social capital increase the level of income (Collier 2002: 3-39; Knack

2002:64-72), it can increase the coping capacity of the poor to deal with the risk and income fluctuation (Grootaert 1999: 39) and powerlessness of the poor (Adler and Swon 2000:105; Sandefur and Laumann 2000:75-77). For these reasons, poverty or wellbeing of the people has been explored in terms of accumulation of different forms of capability and capital.

METHODOLOGICAL FRAME

This section has analyzed the research methods by identifying the core research issues and strategies. The study has followed qualitative analysis based on primary data to assess the social capital and poverty nexus. Fundamentally this study is based on qualitative method to explore the research objectives, but it has applied quantitative analysis for sample distribution. Data have been collected from both primary and secondary sources. It provides detailed plan of triangulation of information from various sources including secondary literature review (SLR), key informant interviews (KIIs) and focus group discussions (FGDs), along with a representative sample questionnaire survey with the members of Occupation-based Informal Associations (OIAs) in Bangladesh.

Research Method

The envisaged research is methodologically purposive and descriptive in the sense of qualitative approach. In order to examine the nexus between social capital and poverty through capital (de) formation, this study has collected data followed by the research issues by using qualitative method from the participants who have been selected purposively. After collecting data, it has described by qualitative analysis. The reliability and validity of the collected data has been checked out through triangulation of the information.

Research Issues and Strategies

This dissertation scrutinizes the social capital and poverty nexus through three core issues. These are participation, empowerment and collective action. These three core issues influence the nexus between social capital and poverty through capital (de) formation. How each core issue transmits its output into capital (de) formation is again evaluated by some mechanisms. This study covers all these three core issues in details and offers answer to each issue in question by using a mixed data collection techniques. The research approach of this study relies on qualitative strategy, which underlines in detail social description and situation analysis to enrich understanding. The core issues and research tools are shown in the table 2.1 and 2.2 respectively.

Research Tools

Research tools are important for any kind of study to collect required data from the respondents. To fulfil the research objectives, the study has carried out necessary tools—SLR, KIIs, FGDs and sample survey—for collecting data. The researcher himself has conducted and moderated the FGD sessions. Each FGD session has conducted by one and half an hour. Before conducting FGD, a theme list has prepared for elaborate discussion. The researcher himself has taken the interview of KIIs with a checklist to gather necessary information and data. In order to conduct sample survey, a questionnaire has been prepared and pre-tested. The researcher himself has helped the respondents to fill up the questionnaire properly. As the interview has been selected as the data collection instrument for this study, a semi-structured interview has been chosen for which questionnaire has been designed to ensure adequate coverage for the purpose of the research. In accordance with the objectives of the study, a survey questionnaire has been developed for collecting primary data from the selected respondents. Major questions have been developed in the form of general

questions which have then followed by a sequence of sun-questions for further authenticity. The final questionnaire has been made to use of both open ended questions (allowing respondents to answer in any way they like) and closed questions (limiting respondents to a choice among alternatives). The closed questions has been prepared by combination of direct question requiring numerical answer, simple two category question, multiple choice questions and scaled questions The researches tools have used in this study are shown in Annex Table 2.1 and 2.2 respectively.

Data Sources and Methods

Data have been collected from a number of sources through different methods. These methods have included secondary literature review (SLR), KIIs and FGDs.

Secondary Literature Review (SLR)

A thorough review of available secondary literature has been done to understand the debate and unknown avenue on social capital and poverty nexus. Secondary information sources include published reports, dissertations, books, statistical review and articles in home and abroad. The website has used as another source of SLR. The analysis of data has been ensured through triangulation of the information collected by the SLR, KIIs, FGDs and SS. In order to triangulate the data, SLR based information have used carefully. The primary data in association with the secondary data has been used to find out the appropriate answer about the three specific objectives of this study through using research issues and research tools.

Sample Selection

Purposive sampling technique has used as sampling strategy. A representative sample has chosen purposively from the selected OIAs in Bangladesh. The OIAs has also been selected purposively through multi-stages strategies. This study has applied four stages to select the sample OIAs and sample respondents. Firstly, it has chosen

different sectors in terms of occupation, secondly different sub-sectors have been selected from each sector, thirdly the study has then gone for the OIAs from the selected sub-sectors, and fourthly, representative respondents have been picked from each OIA. These four stages have been done purposively, but priority has been given on the contribution to the GDP (Gross Domestic Product) of Bangladesh and to the representation of this county.

Most of the OIAs in Bangladesh are consisted with the poor and working class population. As these people are excluded from the formal institutions, they create informal association based on their occupation for their wellbeing as well as meeting their emergency. For the first stage, to categorise the occupation-based sectors in this country, three important sectors—agriculture, industry and service—have been considered on the basis of its contribution to the GDP. While the contribution of agriculture sector to the GDP is 19.95 percent, the figure for industry and service sector is also found 30.33 and 49.72 percent respectively (Annex Table 2. 3).

In case of second stage, some sub-sectors from each sector have been chosen purposively giving emphasis on the contribution to the GDP. In doing that, the study has considered four sub-sectors from each sector in order to give equal value on each core sector. With reviewing the share of GDP by the sub-sectors, the remarkable contributions to the GDP are found by 11.24, 1.71 and 4.43 percent respectively for crops and vegetable, forestry and fishing of agriculture sector. In case of industry sector, the highest contributions to the GDP are located by 18.41 and 9.07 percent respectively for manufacturing and construction sectors while the wholesale and retail trade, and transport, storage and communication of service sector cover it by 14.27 and 10.91 percent respectively (Annex Table 2.1). Following the contribution to the GDP and existence of the OIAs, three sub-sectors—crops and vegetable, forestry and

fishing—from agriculture sector, two sub-sectors—small scale manufacturing and construction—from industry sector, and two sub-sectors— wholesale and retail trade, and transport—from service sector have been chosen for selecting the required OIAs.

For third stage, required OIAs have been chosen from the selected sectors. In doing that, priority has been given to the share of GDP provided by the sectors. For selecting the OIAs, the number has been taken two for those sub-sectors whose contribution to GDP ranges from 10 to 15 percent whilst it has been three for those sub-sectors whose share of GDP accounts for above 15 percent. It has been one for those sub-sectors whose contribution to GDP is below 10 percent. Following both the criteria mentioned above, the number of OIAs has been taken two for crops and vegetable, one for forestry, one for fishing, three for small scale manufacturing, one for construction, two for wholesale and retail trade, and two for transport sector purposively. The total number of the selected OIAs is twelve.

In case of fourth stage, representative respondents have been selected from each OIA. Since the OIAs are small in size and consisted with occupation-based people, respondents have been selected considering representation and time availability. Giving equal value to each OIA, one respondent for KII and from ten to twelve participants for FGD have been selected from each OIA. This study has tried to make gender balance for choosing the respondents.

In selecting areas for this sampling, emphasis has given on the five administrative divisions of Bangladesh for representing the whole country as well as for the practicality and validity of collected data. These are Barisal, Chittagong, Dhaka, Khulna and Rajshahi. Barishal is chosen for FCS and CCA, Chittagong for LFMS and WWS, Dhaka for PGPLS, CLS and RPS, Khulna for ADLS, FCS and TKU, Rajshahi for HS and VSS. The geographical distribution of the sample (OIAs) is shown in table 2.1.

Table 2.1: Geographical Distribution of the selected OIAs

Sub-sector	No. of OIAs	Name of OIAs	Location
Crops & Vegetable	02	Agriculture -based Day laboured Samity(ADLS)	Khulna
		Farmers Cooperative Society (FCS)	Khulna
Forestry	01	Lalmai Forest Maintenance Society (LFMS)	Chittagong
Fishing	01	Fishing Labour Welfare Samity (FLWS)	Barishal
Small scale Manufacturing	03	Plastic Goods Producing Labour Samity (PGPLS)	Dhaka
		Tantha Karigor Union (TKU)	Khulna
		Women Welfare Society (WWS)	Chittagong
Construction	01	Construction Labour Samity (CLS)	Dhaka
Wholesale & Retail Trade	02	Vegetable Seller Samity (VSS)	Rajshahi
		Hawker Samity (HS)	Rajshahi
Transport	02	Coolie Cooperative Samity (CCS)	Barishal
		Rickshaw Puller Samity (RPS)	Dhaka

The population of this study have been included the members, committees and leaders of the OIAs for practicability and variability of the data. A reasonable portion of this population has been selected as sample to collect data through KIIs and FGDs. The sampling according to geographical location and research tools are shown in table 2.2.

Table 2.2. Sampling Distribution according to Research Tools

IOAs	Areas	FGD		KIIs
		Number	Number of participants	Number
FLWS	Barishal	1	10-12	1
CCS		1	10-12	1
FMWA	Chittagong	1	10-12	1
WWS		1	10-12	1
CLS	Dhaka	1	10-12	1
RPS PGPLS		1 1	10-12 10-12	1
ADLS	Khulna	1	10-12	1
FCS TKU		1 1	10-12 10-12	1
HS	Rajshahi	1	10-12	1
VSS		1	10-12	1

Sample Distribution

The sample is distributed in accordance with associational membership, gender, age, education, family size and level of income.

Membership in Associations Coverage

Respondents has also selected in accordance with membership in associations because it is considered as an important variable of building social capital. Above half of the respondents was the member in the other two associations while one third of them engaged in the surveyed OIA only. The other respondents who participated in one or above two associations have chosen (Annex Table 2.4)

Age Distribution

Most of the respondents are young belonging to twenty six to forty six age category. Only three and seven respondents are below the age of fifteen and twenty respectively. The respondents below the age of fifteen are the members of HS. Another eleven respondents have selected from the 'twenty one to twenty five' age category. Age of respondents is presented in annex Table 2.5.

Gender Distribution

For a representative study, it is important to make gender balance among the respondents. The present study has tried to make gender balance in term of selecting survey respondents. But, it has essentially failed to collect necessary female respondents due to lack of occupation based informal female association and female members in the selected OIAs. While near eight tenth respondents are male, about one tenth of them are female. The female respondents have found in the PGPLS, WWS, CLS and HS.

Educational Qualification

The level of education attainment is low among the respondents. One fourth of the respondents are illiterate (cannot read and write) and half of them have education up to primary (grade V) level. Whilst around one fourth respondents' have attained secondary (grade X) level education, only three respondents have completed higher secondary (grade XII) level education (Annex Table 2.6).

Family and Dependent Composition

The respondents have family members as high as 10, on average the respondents' family size is above five. Most respondents' family members belong to the category from four to six. Number of dependent member of the respondents range from 1 to 8 members and on average respondents' dependent member is around four. Most of the respondents have the dependent members ranged from three to five members (Annex Table 2.7).

Income Distribution

The monthly income of the respondents is around 10,000 taka on average. It ranges from 1500 to 40,000 taka. The highest respondents (81 out of 177) are selected from the category of TK. (5001-10,000) while the lowest participants (1 out of 177) are located from the group of TK (35,001-40,000). One fourth of them belong to the income category of (1,001-5,000). The income distribution of the respondents is shown in the Annex Table 2.8.

Focus Group Discussion (FGD)

The twelve focus group discussions in different associations have been organized for collecting qualitative information. Participants have been collected by open invitation from the associations at their suitable time, mostly in their leisure period. Most FGDs have consisted of between (9-12) participants. The number of questions discussed has

been ten to twelve. The question has been arranged from more general to more specific. A checklist of the FGDs has been constructed. FGD places and number of participants has been selected according to the opinion of KIIs.

Key Informant Interview (KII)

Key informant interview followed much like a dialogue—questions have used as open-ended. The researcher himself has conducted every session with the KIIs. However, the relevant topics have explored to them in order to collect in-depth informant during the interview. All KIIs are the active member of the association, who knows well about assets, its management and the features of the associations. One active member of each OIA has been chosen for KII.

DATA ANALYSIS AND INTERPRETATION

The data has been arranged in a tabular form. Then the collected data has been analyzed and used according to the study objectives following the qualitative data analysis process like codification, categorization, conceptualization and theorization. For analysis and interpretation of the collected data, a triangulation of information based on observation, KIIs and FGDs has been done. While the data remain valid and reliable, it is elaborated in the study. The dissertation has also made its' presumption through from generalization to specification, and from specification to generalization of the information.

CHAPTER III

POVERTY OR WELLBEING? : CAPITAL (DE) FORMATION THROUGH PARTICIPATION

Participation is an important tool of making the relationship between social capital and poverty. The existing studies explored participation through membership in group and groups. The density of membership increases income and reduce the level of poverty. The mechanisms through which it enhances income are sharing information, reducing opportunistic behavior and making collective decision. This chapter argues that participation produces not only income or household welfare but also other forms capability and capital, like physical, human and social at both individual and collective level. It generates and regenerates different forms of capital by not only two ways—activeness and meeting attendance, but the other four routes also. With the combination of the four routes, participation plays important role in accumulating different forms of capital. These routes are participation in different processes of group (s), meeting with specific agenda including various problems, different community activities—civic, voluntary and social, and sharing benefits. These four routes are interlocked and interwoven, and act together for mutual benefits. Participation through these four routes engenders different outcomes, *i.e.* capabilities and resources, and then these outcomes plays significant role in determining the amount of poverty. This chapter has also argued that the higher the participation the lower is the amount of poverty. This chapter has further added that participation influences not only the wellbeing of the actors but also the wellbeing of the group as a whole. If the actors are inactive in associational activities, they deform their capital and fail to enrich their living standard by the help of social capital. The OIAs in Bangladesh is a case in this point where the role of participation on social capital-poverty nexus has been examined carefully.

It is, however, neither known whether and to what extend participation takes place, nor is it known what factors contributes participation to make the nexus between social capital and poverty by generating different forms of capital. The aim of this chapter is to analyze whether participation ensure capital (de) formation and to what extend it contributes to social capital and poverty nexus.

First of all, this chapter revisits the existing studies in order to explore the social capital-participation-poverty nexus. Then this chapter has examined the nexus by four core sections. The first looks at the participation in group, which has three interrelated subsections—group formation, quality of present participation and density of membership. The second section analyzes the process of problem analysis and the agenda that are discussed in the meeting for resolution. The third section explores participation in different community activities, such as civic, voluntary and social because these activities are essential for making both bonding and bridging relationship. The fourth focuses on the participation in sharing benefits. All these issues provide necessary outcomes that can improve the capabilities and capital to reduce poverty.

PARTICIPATION, SOCIAL CAPITAL AND WELLBEING INTERLINK

Participation, as said earlier in chapter one, has many meaning to many people. Whatever the meaning is, it should be analyzed in terms of its objectives and functions. While people simply participate in anything, it is meaningless. It would be meaningful when the participants take part in it for common purpose and receiving benefits. Moreover, effective participation depends on the demand of the participants. When the participants fell the participation would be meaningless to them, they do not participate willingly. It is the collective sustained activity for the purpose of achieving common objectives, especially the more equitable distribution of benefits (UNESCO

1979 cited in Samad 2002: 53). Participation provides not only the equal benefit but also some power to the participants. It is a process of empowerment of the excluded and deprived (Oakley and Marsden 1984: 153). Hence, participation, empowerment and collective action are interwoven.

There is another point that participation is associated with decision making process and collective action. If the people do not participate in the group meeting regularly, the process of decision making and collective action would not be settled. Collective decision and activity can lead to achieve the objectives of participation. It is also presumed that social capital helps people significantly to make decisions and organize actions. Network of relations, trust and reciprocal norms thus play important role in participation through establishing the appropriate structure of cooperation, mutual aid, mutual support and social interaction. Social capital increases the quality of participation and vice versa. Participation boosts not only the individual social capital but also the group social capital. It may be premised that participation is an important tool of building social capital that adds some input in the welfare of individual and society or group as a whole.

In social capital literature, participation is explained in the name of embeddedness, associational membership and civic engagement. Though the existing studies take these tools in exploring the impact of social capital on capital accumulation and development, these are synonym to participation because Embeddedness, membership in association and civic engagement in activities occur through active participation of the people. Embeddedness in economic transactions and social relationship is very important tool for generating trust, in establishing expectations, and in creating and enforcing norms (Coleman 2000: 36). Coleman considers also social relationship as a source of participation (embedded), but he

forgets to inform about how it transforms in people's wellbeing. While Coleman's embeddedness provides subjective benefit, the some others claim for objective benefit, such as physical, human and natural capital. The subjective benefit may transmit sometime into objective profits while it helps to increase the income or household welfare. This kind of profits may not be possible without participation in association because membership in a group sets the foundation for solidarity and social capital (Bourdieu 1986: 192-93). There is a missing link of participation that the profits provided by it can be achieved by the participants only, not by an outsider[11].

Social capital is built and increased by the membership in groups—another name of participation in association or group. It can be handed over other kinds of capital if it is used and managed properly. The main externality of participation is that it makes the ability of participants to generate new knowledge and to provide access to the resources (Portes 1998: 5; Schuller *et all* 2000:7). The ability does not form and reform simply; rather it is increased by the access to information and establishment of sanctions, which help to minimize the risk of cooperation failure. In case of civic engagement in activities, the fact is where a high level of civic engagement (participation) prevails; new social equilibrium with high level of cooperation, trust, reciprocity and collective health emerge. The absence of civic engagement leads to decrease of social capital as well as other forms of capital (Putnam 1993: 177). The membership in association is highly correlated with social capital and poverty is experienced by a group of empirical studies. Social capital and development is the by-product of other social activities. Since participation in association leads to formation

[11] "The volume of social capital possessed by a given agent……depends on the size of the network of connections he can effectively mobilize and on the volume of the capital (economic, cultural or symbolic) possessed in his own right by each of those to whom he is connected" (Bourdieu 1986: 249).

and implementation of activities, it has important role on the formation of social capital as well as physical and social capital, which affect the development of the individual and society. For assessing the role of social capital on household welfare, many studies focus on participation[12].

A seminal work has done to examine the role of social capital in accounting for variations in economic performance in different parts of Italy. This study includes civic engagement in regional activities—participation in activities—as a determinant of social capital and informs that civic engagement in regional activities is positively and significantly related to the growth—physical capital (Helliwell and Punam 2000).

Another important study claims that participation in decision making process influence the quality of human capital. The parents create obligations, trustworthiness environment and reciprocity among themselves by participating in decision making of Parents-Teachers Association, which increase their adult's educational outcome and reduce the dropout rate of their adult from the school (Coleman 2000: 34-36).

Though participation in decision making and activity is essential for increasing the level of social capital and household welfare, participation in associations—associational membership—and sharing benefit is also essential. If the people exclude from the membership and benefit, they become inactive or may leave the association. As a result, participation in decision making and activity may go under failure. By including membership in association in examining the role of social capital on household welfare and society in Tanzania, Narayan and Prichett (1997) claim that membership in association—participation in associations—significantly affects the

[12] Participation is many things to many people. It is the membership in association (Adam 2008; Paxton 2007; Field *et all* 2000; Putnam 2000), engagement in public affairs (Putnam, 2000; Sabatini 2005; Casey and Christ 2005) and community volunteerism (Casey and Christ 2005; Uhlendorff 2004).

income of individual as well as the society as a whole[13]. They also add that it makes the public service effective, creates cooperation among the participants, encourage them to modern agricultural practice, diffuse the innovation, shares appropriate information and provides informal insurance. By which it transforms into income of the household and society.

Grootaert (1998) includes a combination of three determinants—membership in association, and participation in meeting and decision making process—to explore the social capital impact on Indonesian household. He provides that these three determinants jointly affect the access to credit, asset accumulation and collective action by which the households increase their living standards. In case of conclusion, he further add that membership in association is associated with 1.5 percent higher household expenditure level[14].

Participation can be occurred by two ways, While the first way is *top-down*, the second way is *down-top*. The first way is base on formal rule and enforced by the top level while the second way is depended on people's motivation and formed by the grass-root people. Both the ways enables people and groups to reduce poverty by improving living standard and solving existing problems (Esman and Uphoff 1984; Khan 1992; Narayan and Prithett 1997). The top-down participation is highly criticized because it creates obstacles to implement collective decisions due to forcing decisions from the top. The researchers argue also that down-top participation is better than top-down participation for social capital formation.

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[13] This study was done based on the data of Social Capital and Poverty Survey (SCPS) in Tanzania. By reviewing this data with regression analysis, the study informed that a one standard deviation increase in village social capital increases the income of all household in the village by approximately 50 percent. If half of the villagers are the members of one group have higher stock of social capital than the villages where the membership was zero. It further added that the increase of average membership by one-half groups per household is a substantial shift in social behavior, it was expected that the income would increase by 20 to 50 percent (Narayan and Pritchett 1997:23).

[14] The study claimed that people participated in associations for strengthening social interaction to achieve some sorts of social religious and cultural purposes and assumed that the level of household income depended on the number of associational membership and quality of participation in decision making. With regression analysis, the study concluded that number of membership for each household raised the expenditure per capita by 15 percent and active participation in decision making correlated with 3.2 percent higher expenditure level (Grootaert 1998:63).

With reviewing the existing studies, it is found that participation affects the social capital and poverty linkages. Though they explore participation from different angles, they miss to examine it by the combination of different perspective. While some studies focus on participation, the some other studies include attendance in the meeting. The some other studies highlight it in terms of activities and benefit sharing respectively. Their presumption about the nexus is that participation and capital formation is correlated, but they examine participation with a single indicator. As there four indicators or routes that are interlinked and interwoven with each other, the present study include these four indicators to understand the role of participation over the nexus between social capital and poverty. The active participation in these four criteria forms the basic fabric of the association in terms of relations, trust and norms. Then, the structure of the association encourages its member to act collectively for mutual benefit. Accordingly, this study measures participation through analyzing these four criteria. These are participation in association, problem analysis in the meeting, activities and sharing benefit.

PARTICIPATION IN ASSOCIATION

People live everywhere in chain that is created by participation in different kinds of associations. Though participation takes place in different contexts with different purposes, it generally refers to community group authority and control over decisions and resource allocation including financial resources (Narayan and Pritchett 2000: 285). The empirical studies have been debating about the nature and outcomes of participation in terms of coercion versus voluntary, active versus inactive, individual versus collective, and homogeneous versus heterogeneous participation. As it is a form of social capital, most studies take their positions in favour of voluntary, active and collective participation because these forms of it increases social capital and other

forms of capital of both individual and society. Both homogeneous and heterogeneous participation are relation with capital formation including social capital formation. Whilst people involve in a homogeneous association, it is a bonding participation. The bridging participation occurs in a vertical association. Though both forms of participation are important for poverty reduction, the bonding participation is common among the rural people of the world including Bangladesh.

Since the society is consisted of different kinds of people, each people have to live with the help of others. The tendency to mutual help lies in the relations of people, which in turn creates a social fabric for social trust and reciprocal help. This social fabric or structure—in the name of social capital—holds the society together and encourages its members to act collectively for coordination and cooperation. Every association nurtures self-help, mutual help, solidarity and cooperation for (de) formation of capital (Colletta and Cullen 2000: 9). The outcomes provided by participation may be significant if the participants take part in it from the formation process to date, and in a homogeneous association. At one hand, one participant may involve in the formation process, but (s) he become inactive latter, at other hand one participant makes himself active though (s) he does not include in the formation process. The quality of participation depends on the characteristics of other participants. If the internal attributes of the association are vertical, it produces more externalities than that are homogeneous. While some studies focus on formation process (Ostrom 2000; Krishna 2000; Pargal, Gilligan and Huq 2002), the some other studies highlighted the active participation in present activities (Grootaert 1998; Narayan and Pritichett 1995; Krishna and Uphoff 1999). These studies are divided on the homogeneous vs. heterogeneous participation. Homogeneous participation is easy and useful for the poor while heterogeneous participation is important for the rich. Accordingly, the study has analyzed participation by group formation, quality—active or inactive—of participation and density of membership or membership in other associations.

Group Formation

Association is formed through different stages. These are taking initiative, making decision, formulating plan and its implementation. People's participation in these stages is necessary to form an association. In this case, people do not participate in these stages or work together simply; rather they are motivated to participate with pre-existing social capital. Participation in the formation process of association indicates that there is some stock of pre-existing social capital among the participants. The higher participating rate in the formation process of the association would lead to appropriate and sustainable social structure of the association, effective trust and norms, and increased meeting attendance.

People involve in not only one association but also more than one association. It is neither to know whether participation in the association's formation process affects the household wellbeing nor to know how this type of participation takes place. This study has answered these questions through examining the quality of participation in the formation process of and density of membership in the OIAs. The members create the OIAs for achieving common objectives, and then they make some decisions to empower its members and organize some collective activities gain mutual benefits, which reduce their level of poverty.

In case of total participants, around half of them have participated in the group formation process while the other half have not involved. Among the participants who have taken part in group formation, all members of the ADLS, FCS, LFMS and FLWS have participated while around half members of the other associations have taken part in group formation. Geographical location, social relationship and perception of mutual aid play a vital role on the participation in association[15]. For

[15] It is observed that all members of the ADLS, FCS, LFMS and FLWA live in the same geographical area whereas the members of the other OIAs live in different locations although they interacts each other on the basis of occupation. The geographical locations affect also the quality of social interaction, intimacy, cooperation and reciprocity. Those who live in the same location have some social connections, trustworthiness environment and reciprocal help attitude among themselves through which they encourages to participate in the process of association formation. Accordingly, participation in the association's formation process is found high for the ADLS, FCS, LFMS and FLWA.

these reasons, the participation rate in group formation is observed higher for the earlier four associations. One KII has opined,

> "We all live in the same area and spend our every evening in the same place for gossiping. One day we decided that we would form an association for distributing work, increasing wage and helping each other to reduce our risk. For this, I have been participating in every activity from the beginning of the association (AR 1).

Another KII has strongly cited, "Since we all live in same village for long days and are active worker of same political party, we have a common purpose to capture the forest. Accordingly, all of us had joined the group from the beginning'' (AR 3). The variation in participating in the formation process of the association is matched by the difference of pre-existing social capital, location, purposes between or among the associations[16]. This difference in term of participation in association's formation process influences the building and strengthening social capital in association with other form of capital. This is happened through two channels. Firstly, as participation in the group formation lies in the pre-existing social capital, location, common purposes and mutual understanding, the combination of these elements helps the participants to form and reform the stock of social capital and encourage them to share information, help each other in meeting emergency, reduce free-riding behaviour and make collective decision. These outcomes help again to accumulate other forms of capital. Secondly, by taking part in formation process, the participants think themselves as the creator of the association. Thus they make unity among themselves and act collectively for mutual benefit that can increase their level of social capital as well as other forms of capital.

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[16] It is found that all members of the ADLS, FCS, LFMS and FLWA and around half members of the TKU, WWS and VSS have presented in the group formation process. The figure is observed a bit for the other OIAs. Except the members of ADLS, FCS, LFMS and FLWA, the members of other associations interact in the working place only but they live in different places. They failed to make 'We filling' perception among themselves before joining in the OIAs. Even, most of them could not understand the importance of associations and gave positive response to this point. When they observed that the groups had already formed and these were helpful for the members, they had participated in it.

There are different steps—primary discussion, initiative, planning and implementation—of group formation. Most of the respondent did not take part in all steps. It is observed that close to all respondents has participated in primary discussion, member's collection, making collective decisions—rules and norms—and plan's implementation whilst around half of them has presented in planning and its implementation. All of these issues are important for producing effective outcomes from the association, but participation in decision making and planning is more important than participation in other steps. It is observed that most of the participation were absent while the decision and plan were chalk out although these two steps are important for creating social network, trust and norm of reciprocity. It is further observed that participation in group formation plays a great role on capital formation. The participants of FGDs have provided,

> "We give our emphasis on primary discussion, planning and rules and norms making decision because these three steps lie behind the wiliness, interest and perception of the people. Another steps are also important but we never participate due lacking time, money and social position" (FGD 6, FGD 2 and FGD 11).

A member of the association has noted, "The necessary steps are taken by the some members, and then they informs us and we join in the association" (AR 5). "We participate in the decision making process and members' collection efforts only because of our poverty and powerlessness", has added by another KII (AR 8). By this information, most of the participants, as they are poor, low income earner, powerless and busy for looking jobs, participate in primary discussion, decision making and member collection efforts. This is the common attribute of every OIA, except the FCS and LFMS. All members of these two associations were present in all steps of the formation process of the association. All OIAs can strengthen their social capital by increasing active participation in present activities, making collective decision and organizing collective action.

This study has discovered that participation in group formation has a significant effect upon building social capital. But those who took part in this formation may be (in) active in later activities. Alternatively, one can be an active member although (s) he failed to participate in formation process. S/He fills up this gap by collecting information of group formation and the motivation to work. Few studies conclude that participation in group formation is a prerequisite for building social capital and formation of different kinds of capital as well as poverty alleviation (Krisna 2000, Lam 1995 and Grootaert 1999). This nexus between participation in group formation and poverty reduction is geared up by the externalities provided by social capital. These are sharing information, accessing to credit, resources and services and mutually beneficial collective action.

This study has found the same result for the about all OIAs. The associations are formed by four steps, *i.e.* primary discussion, taking initiative, planning and implementation. Those who took part in each steps of group formation can build higher stock of social capital. This study agrees with the presumption that participation in group formation and capital formation is correlated, but at the same time it disagrees also with that inference because capital formation depends not only on participation in group formation but on active participation also. The present study has discovered the similar result provided by the existing literature. There is observed opposite result in case of the THU, WWS and CCS. Many members of these associations joined after group formation and become very active members in the associations. They have successfully built their social capital and used it for their wellbeing

Quality of Participation in Present Activities: (In) Active

Social capital lies not only in the formation process but also in the quality of participation. How the people join in the association and how they participate in the associational activities are important to understand the group unity and possibility of

capital formation. While the members are bound to take their membership, they may be inactive members due to lacking of mental satisfaction. The inactiveness of the members causes some obstacles for making collective decisions and actions. An inactive association never form capital. Social capital inhabits in the certain aspects of social structure by their functions (Coleman 2000:16). Accordingly, participation in the functions of the association plays an important role in accumulation capital. The effectiveness of the associational functions depends on the structure of the association for which people participate in it. At the other sense social infrastructure (social structure) can increase economic productivity and has considerable positive externalities (Unger 1998: 14). The certain aspects of social structure constitute both an aid in accounting for different outcomes at individual level and an aid toward making the micro-macro transaction. Thus, the participant circles are grouped together with the existing or reforming associational structure. The structure of the association helps to increase the economic productivity and provides considerable both an aid in accounting for different outcomes at individual level and an aid toward making the micro-macro transaction. Thus the participant circles are grouped together for gathering different forms of capital. The study examines the quality of participation by three areas: (i) types of joining in association, (ii) types of participation in present activities and (iii) background of the participants.

In case of the existing precondition for being a member, the two-third of the respondents has participated in the association either by ‘on request by someone’ or ‘personal endeavour’ or collective decision. The KIIs have focused, “There is the precondition that all members of their occupation will compulsory join in the association, but the rule is not always followed” (AR 9 and AR 10). Participants of the FGD have said, “There is no compulsory precondition for being a member in the

association. Anybody of the same occupation can willingly join in it" (FGD 12). Another part of the quality of participation is involvement in different activities. This is the main point to sustain the association. If the member do not participate actively or become inactive, the association may be broken down or stopped. Around one fifth of the respondent has carried the leading post whilst around one third of them have taken part in it very actively. A KII has focused, "Participation in association is not an important matter for group function; rather significant aspect is how actively a member participate in the present activities" (AR 1). Another participants of FGDs have claimed, "The group unity, sustainability, capital formation depend on the active participation of the members" (FGD 1 and FGD 6). Some participants claim that they joined the association after the group formation, but they have filled the gap by active participation in the present activities. Accordingly, the quality of participation in present activities is associated with the formation of social capital as well as other form of capital.

The characteristics of the agents with whom they interact are also important to understand the quality of participants and trend of capital formation. Since the present study takes its sample associations based on occupation, all OIAs are homogeneous. It is observed that the members of some OIAs have different background in terms of income, household assets, age, education, social status, religion, political linkage. These heterogeneous attributes are highly observed in the FCS, LFMS, VSS and WWS. Due to having these different backgrounds, the members of these associations can share ideas, knowledge, experiences and information as well as other forms of capital frequently that can help to reduce their poverty. The other OIAs are basically homogeneous consisted of like-mined people. Most of the time, they spent their leisure period in a common place—tea stall, local bazaar and open field—for

gossiping, taking and informal discussion. These OIAs fail to collect necessary capital in comparison with those OIAs whose members have different backgrounds. But these homogeneous associations significantly increase their network of relations, trust and norms of reciprocity to act collectively for equal benefit. Around half of the respondent informs that there is a difference in terms of members' background in their associations. Both types of associations keep important role in making collective decisions and actions, and help its members to collect different forms of capital in including social capital. Accordingly, the quality of participants is related with the internal characteristics of the associations.

In summary, the members have willingly participated in the association. They are motivated by the pre-existing social capital and personal relationship with others. Their motivation to strengthen social capital encourages them to participate actively in the present activities. The active participation provides energy to the collective decision making and collective action. Though these two elements of participation add new resources to the living quality of the participants, the effectiveness of these two elements depend also on the background of the members. Both homogeneous and vertical backgrounds are important for capital formation. The present study has found significant findings for the vertical backgrounds of the members because the members can exchange different resources through joining in decision making and activities.

Density of Membership

Density of membership or participation in other organizations is important to form different types of capital at individual and society level. Those who have more membership in other associations have better access to resources, services and opportunities than those who have lower membership in other associations. The density of membership provides enough chance to interact with different people. By using these

memberships, the participants gain necessary information, knowledge, support and assistance from others to meet the needs. It also helps the actors to create cooperative, coordinative and sharing behaviour within an extensive network. It is presumed that the density of membership give many things to many people. It is a credit clips (Coleman 2000: 26) for the participants. The participants who have more credit can accumulate different forms of capital in the time of necessary by using it. It would be meaningless if it is not used. Over half of the respondents have the membership in other organizations while around one third of them have no membership. The density of the membership of the participants of this study is only two (2). The range of participation in other organization is from zero to six. The highest figure is found for the members of the FCS, LFMS, VSS and WWS respectively while the lowest figure is located for the members of the ADLS, THU and CCS respectively. The members of the FCS and LFMS respectively are involved in around five associations. As most of the members of these two OIAs are rich, educated and politically powerful, they are linked with different types of association from long days. They have a lot of experience to accumulate capital by joining the associations. As a result, their density of membership is located highest in the present study.

In summarizing this section, it is found that participation in association in terms of group formation process, quality of participation and density of membership varies among the associations. While the highest figure is found for the FCS, LFMS and WWS respectively, the lowest figure is located for the TKU, PGPLS and CCS respectively. The other OIAs take the middle position. The difference is matched by the difference in participating group formation process and by the difference in background of the people. The major findings of this section are: (i) participation in group formation process is significantly related with capital formation; (ii) motivation

affects the quality of participation; (iii) active participation can reduce poverty through collective decision and action; (iv) vertical background of the member is correlated with the capital formation, and (v) the higher density of membership is the lower amount of poverty.

PARTICIPATION IN MEETING AND PROBLEM ANALYSIS

Meeting and the agenda discussed in the meeting is the key to form capital—physical, human and social. If the meeting is held for only sitting and eating without fruitful discussion about the problems, it becomes aimless, ineffective and unproductive. Members of the associations discourage also to participate in meeting if there is no provision to select existing problem as agenda, analyze the problem and choose problem based on priority for solution. Participation in meeting and the process of problem analysis is a way to discuss the members' personal and associational problems together. The participants would able to take necessary mechanisms to protect and prevent the problems in this process of problem analysis. As a result, the participants can form required capital that reshapes their poverty or wellbeing. Participation, here, is discussed in terms of meeting, analyzing problems, priority-based problem selection for solution, condition of solution, and techniques of problem solution.

Participation in Meeting

Regular meeting is the precondition for analyzing and resolving problems. By attending in the meeting (s), Participants discuss each other, exchange ideas, knowledge, experiences and information, and make collective decisions to identify the root causes of the existed problems and thus they can discover the paths to remove the problems. Attending in the meeting helps not only to analyse the problems but also to accumulate different forms of capital—physical, human and social. Whether the problems are personal, collective—associational—or communitarian, all problems

may be solved through fruitful discussion in the meeting. Since the meeting facilitates participants to share ideas, knowledge, experience, informal training and information, it provides ample opportunities for forming capital to those who participate in the meeting regularly.

Alternatively, who do not participate in the meeting regularly fail to make effective social interaction, strengthen trust with others and create norms of reciprocity, and accordingly (s) he do not get assists or supports from others to meet the emergency. Meeting attendance plays an important role in resolving problems and accumulating different forms of capital. It is observed that some OIAs have called meeting regularly while some other OIAs have organized it sometimes. Some OIAs have arranged it with defined agenda, but some other OIAs have called it in emergency only. The meetings are organized by weekly, 10 days, 15 days, monthly or tri-monthly. The interval of meeting varies from association to association due to the internal attributes and norms for sharing benefits of the associations. Weekly meeting is arranged by those OIAs whose members can share higher benefits whilst long-interval-based meeting—most cases, in meeting the emergency—is called by those associations of which members can get lower benefit from the meetings. Among the participants, around one third—the members of FCS, LFMS and WWS—claim that they always (regularly) organize the meeting with specific agenda while another about one third—the members of ADLS, FLWS, VSS—has informed that they arrange it often or while they think it is needed. The other OIAs are found irregular in arranging meeting. A KII has opined, “It is mandatory to call meeting at least once in a month, but it is arranged in case of emergency only” (AR 11). It is occurred because the association fail to strengthen its stock of social capital. Most of the members distrust each other and they do not act collectively. Another KII notices that they calls

meeting in time (AR 9) whilst the other KIIs have demanded, “they arranged meeting on the basis of defined agenda regularly” (AR 3 and AR 2). The difference in arranging meeting is observed among the associations for the differences in building and stocking social capital, taking benefit and making collective decisions. In comparison with other OIAs, the members of the FCS and LFMS arrange and attend the meeting regularly because they can gain more benefits by it. Since there are enough opportunities to accumulate different forms of capital through meetings, participation in the meeting can play significant role in making the nexus between social capital and poverty.

Problem Analysis in the Meeting

Without analysis or discussion about the problems, the meeting would not give any fruitful outcomes. Accordingly, it is important to set the problems as agenda in the meeting. Otherwise, all efforts to strengthen the association would go under vain due to increasing inactiveness and distrust among the members. As people are facing different types of problems every day, they want to resolve these problems by either individually or collectively for their wellbeing. Associational life is a case in point for work collectively by making appropriate mechanism through the meeting in order to solve the existing problems. The study has identified some necessary issues that are essential to discuss in the meeting because these issues are linked with the living condition and occupation of the members of the OIAs. These issues are linked with finance, social, profession opportunities, wage, working area selection, associational conflict and politics. Among these issues, the participants have given their attention to the financial, professional, wage related and organizational conflict for discussion in the meetings while they have given less importance to the social, working area selection and political case

Financial Issue

People face always financial problem. It is hard to live a day without necessary finance. As it is necessary to meet the basic needs, people feel to solve this problem as early as possible. If the association do not discuss and solve this problem, the members would be aimless, inactive and unproductive. In case of OIAs in Bangladesh, over half of the respondents have participated in discussing the financial problem at time. All OIAs set financial issue as their meeting agenda because it is considered as the fuel of the associations. Participants of FGD have argued,

> "We always discuss the financial issues in the meeting because it is linked with our everyday life. We form the association aiming at taking financial benefits. It is the engine of our association. Firstly the members of the association discuss about the problems and select the agenda of the next meeting. Secondly the leader calls the meeting in a suitable day for discussing the issue" (FGD 5).

Two leaders of the OIAs have mentioned "We always include financial issue—both personal and collective—as our meeting agenda. We maintain our everyday life by reciprocal help. Financial discussion is a main tool of our association's unity. (AR 1 and AR 8). Another KIIs have added, "The association would be broken if we fail to include it in the meeting because the association was formed for financial benefit (AR 2 and AR 3). Accordingly, all OIAs discuss financial problems in the meeting regularly. It provides significant outcomes to the participants, which add some sorts of capital for their wellbeing.

By discussing the financial problems, the participants select some issues first to solve. Near to all respondent have said that financial problems has been selected not only for discussion but also for solution. With sharing knowledge, ideas, experiences and information, they identify the root causes of the problems first and then make a plan for resolution it. It is observed that the higher arrangement of meeting for discussing financial

problems provides high financial outcomes to the participants by resolving it. In case of resolution of the financial problem, around half of the respondents have given affirmative response whilst another half of them provides negative answer. All OIAs have been trying to solve its financial problems from the beginning, but some OIAs regularly practice it. Among the OIAs, the FCS, LFMS, VSS and WWS are the better examples of resolving different types of financial problems. These associations resolve not only the associational issues but also the member's personal issues. As these associations build its social capital at significant level, most of the members participate in every meeting and associational activity. They fill each other problem and help reciprocally to solve the financial problem because they are encouraged by social capital to act cooperatively and co-ordinately. A leader of the association inform that we all help a member by taking collective decision to sent her son abroad. Now she gets a significant financial support from her son (AR 7). Another KII have included, "There is no provision to solve personal financial problem in the meeting, but we do it informally from our mind" (AR 1). Participants of FGD have notified, "We all together discuss the problem and try to solve it if it is under our ability" (FGD 12). However, it may be concluded that financial issues are discussed in all OIAs. While the financial problems are arisen, the OIAs try to resettle it. Social capital, group harmony, and active participation play a great role in resolving the financial problems. As the member of FCS, LFMS, WWS and VSS create a higher stock of social capital and gain greater benefit from associations, their achievement to resolve the financial problems are higher than other OIAs.

Professional Issue

Professional issue is highly related with the living condition of the working people. There are different types of difficulties facing by the working or occupation-based people. In this case the level of poverty or wellbeing of the members of OIAs depends

on the availability and effectiveness of professional opportunities. Around all respondents attend always in the professional issue-based meeting. They join in this meeting for increasing income by taking occupational opportunities, searching new job and learning new knowledge about the job. A KII has noticed, “Occupation is our life through which we earn, buy necessary goods and help other family members. So we discuss it always in the formal meeting to improve our occupational opportunities and increase our income” (FGD 10).

The association first select the problem on the basis of priority, and then discover techniques to solve it. Whether the techniques are, they work collectively to be successful. Most of the cases, it is observed that the participants increase their occupational opportunities by taking collective decision, organizing collective work and raising collective voice. These increase occupational opportunities provides economic externalities to the participants, which help to reduce their poverty. Close to all respondents opine that they have chosen this issue giving priority for solution in the meeting because it works as glue between their income and expenditure. A KII have opined, “Professional issue is related to their employment. So, they solve it collectively for their well being” (AR 10). This is the issue by which they earn money, form capital and meet the basic needs of the family members. Thus they have tried to solve the professional problems. They have not only discussed it but also solve it. Near to all participants claim that they have resolved this problem collectively. Participants of FGD state,

> “As all member come from same occupation, all of us realize the importance of the problem. If we fail to solve this problem, we may be unemployed or deprived from our earning. As a result we are united in this case because our life and living style is seriously related with our profession. So, we have no alternative except solution of this issue” (FGD 4).

A leader member of OIA provides, “We take help from the association when we lost our work, even we search new employment by the association” (AR 6). Accordingly, it is clear that all OIAs call their meeting cantering the professional issues. The members of the associations work jointly with the hope of increasing their income. Though the same picture is found for all OIAS in organizing professional issue-based meeting, the rate of taking benefits from these meeting is observed higher for the FCS and LFMS. The rate of achieving benefits is located in terms of the amount of resources. If it is counted in term of meeting the needs, the result would be significant for all OIAs.

Wage Related Issue

Since wage is an important part of working people life, analysis of wage related issues in the meeting can affect the income of the people. Wage is given to the workers according to the labour. If the given wage fails to make the equilibrium between income and expenditure, the workers have to search other sources of income. The respondents give always their attention on wage related issues as the agenda of the meeting. Around half of the respondents have noted that they have analyzed this issue at times. This issue is considered as the centre point of most of the meeting arranged by the ADLS, FLWS, TKU, CLS, HS, CCS and RPS respectively. These associations are consisted of daily income basis workers. The members of these associations maintain their family by daily wage. Accordingly, they want to make a balance between the price of goods and wage.

The other OIAs do not include wage related issues, but include the amount of income in the meeting. In case of the OIAs, close to all respondents has given priority to take this issue as the agenda of the meeting for solution. KIIs have asserted, “We cannot spend a single moment without wage. So, we discuss it all time to increase our wage and wage related benefits” (AR 1, AR 12 and AR 6). The living style of the

respondents depends on the wage/ income that they earn by their labour. If there is any wage related problem in the working place, the workers try to solve this problem collectively through discussing in the meeting. In this case, very close to all respondents has that they selected wage related problems on the basis of priority for solution. The participants reply that they have solved their different wage related difficulties through discussing in the meeting last year. They have negotiated with the owners, political elites and local leaders collectively, called strike and done demonstration to increase the amount of wage. By doing these actions jointly, they have increased the amount of wage. All participants claim that they have resolved their wage related problems by making collective decision in the meeting.

Organizational Conflict Issue

Constructive and planned debate and conflict is useful to make the association democratic, and to form the appropriate plans and actions of the association. If the association faces continuous conflict, it is treated as a sick or dead one. To build the association alive, it is essential to resolve its all existing conflicts. Most of the participants understand this case and give their importance to resolve it at the beginning. Close to all respondents opine that they have discussed and analyzed this issue several time in the meeting last year. Most of the OIAs are found conflict free because all OIAs take decisions by the opinions of the members. Collective decision making is important for keeping the solidarity of the group that is considered as the precondition for accumulation of different forms of capital. Continuous organizational conflicts always hamper the development and solidarity of association. For this reason, it is inevitable to resolve the organizational conflict. Close to all respondents has said that they have considered organizational conflict as priority-based problem for solution in the meeting. Participants of FGDs inform,

> "Association may be collapsed due to organizational conflict. There are many examples about this case. So we are very careful about it from the beginning. When the conflict is arisen, we call meeting and solve it as soon as possible. To date, we keep our association conflict free by taking voice of the members, making transparency and accountability of the actions and sharing benefits equally" (FGD 3, FGD 8 and FGD 9).

The solution of organizational conflict is considered very essential to the respondents for sustaining the association. They make social relation, trust and norms of reciprocity among them for making group unity. There are many issues which can create conflict in the association. These issues are free riding, opportunistic behaviour, political influence, financial corruption and personal clash. While the conflict is arisen in association continuously, the members may be divided within different sub-groups. Due to continuous clash between sub-groups, the possibility of capital formation may be reduced. Accordingly, all OIAs try always to resolve the conflict. According to the respondents, they have met the all conflicts arisen in the association last year. As they join in association to work collectively for mutual benefit, they want to keep peaceful and trustworthiness environment in their association by resolution of the existing conflict among members. The members of TKU and PGPLS respectively opine that they have been facing some conflicts for many days. "This is occurred due to lack of social capital among the members. Continuous conflict makes the members inactive and deprives us from the benefits" has noted by two KIIs (AR 5 and AR 6).

Social Issue

Man live with others in the society. Without sociability, man cannot live a single moment. The social harmony and environment affect also the success of collective actions undertaken by the associations. Some OIAs include social issues to discuss in the meeting for keeping the society together while the some other associations do not include it. Above two third of the respondent has claimed that they have never

discussed social problems or issues in their meeting. They give less importance to social issues because of their poverty, social position and power. Most of the social problems lie in the social structure of the society where some people live at the top and the some other people live at the bottom level. Since most of the participants are poor, low earning worker and powerlessness, they can play little role on resolution of the social problems. Thus they did not include it in their meeting last year.

Social issues are included as meeting agenda in the three OIAs only. These OIAs are FCS, LFMS and VSS respectively. As the members of these three associations are rich, educated and socially-politically powerful, they think their association would be inactive if the social harmony in the society would be broken down. Representatives of the associations have reported, "Social capital is influence by not only the associational environment but also social environment" (AR 2 and AR 3). Accordingly, these associations include social issues in their meeting for strengthening social capital of both the association and society. These three OIAs were successfully resolved different social problems in the society last year.

Selection of Working Area Issue

Working area is an important part to the people of working class. By distributing the working area collectively, they take more advantages. But in the present study, around over half of the respondents has opined that they have never selected this issue for analyzing in the meeting. The workers, very often, have faced working area related problems, which demands for urgent resolution. But, the respondents of the present study have given less importance to this problem in order to select priority-based problem for solution. The members of the FLWS, CLS, CCS and HS respectively distribute their working area through meeting. If it is not done by the association, the members of the association can handle others work. As a result, there may be chances

to make conflict with each other. The members of the LFMS work on the plot that they receive from the government office. They work collectively to produce different kinds of trees. They always discuss about the working area—collective action areas and personal work areas—in order to get future benefits.

Though selection or distribution of working area is important to the working people for ensuring the job, the respondents have rarely considered or solved this issue. Around over half of the respondents has provided no answer in this case whilst around one fifth of them have claimed that they have solved this problem through fruitful meeting. Since the respondents involve in different types of occupations for earning, they work different places. As a result they give less importance to select or distribute the working areas. It might be assumed that there is no significant relation between meeting and distribution of working areas.

Political Issue

Although political will and commitment is a key part of any kind of development, majority of the respondents dislike analyzing it in the meeting. Around half of the respondent has uttered that they have never included and discussed it in their meeting, while around one fourth have given no answer in this case. According to the representatives of the associations, "Political influence and linkage may create some crisis that can be broken the group unity" (AR 5 and AR 6). Three-fourth of the participants never includes this issue in the meeting last year whilst one fourth of them discussed it. The participants who discussed it in the meeting are the member of the FCS, LFMS and FLWS respectively. The members of these OIAs are highly connected with politics, so they always observe the political situation in the local area and the country by the meeting. These three OIAs selected different political issue for solution and they overcome the problems by collective decision and collective action.

Since these associations provide ample opportunities to its members, they make always make a like with politics. A KII has said," While we lost our political power, we would be expelled from the association. Accordingly we have alternative to keep the political link" (AR 5). It is concluded that those OIAs link with politics; they discuss political issues in the meeting. By doing this, they get access to the resources, services and opportunities and gain more benefits that help to reduce their poverty.

Techniques for Problem Resolution

Problem resolution is an important tool to keep the group unity. It is also essential for making the association conflict-free. While the problems are discussed in the meeting, the participants take necessary steps to remove it. How the problems are tackled is also important for understanding the process of capital formation. The members of the OIAs chalk out different techniques for reducing the impact of the problems. The success of problem solving depends on the techniques undertaken by the members of the associations. According to the participants, they apply two types of techniques for solving the problems. These are collective decision and collective action. Close to all respondents cite that they have made decision collectively in the formal meeting for resolution the problems. Accordingly, they can discover the necessary, effective and fruitful ways to come out from the problems. Though the same picture is found for all association, Two KIIs have provided alternative information. This is, "The leaders take sometimes the decisions through discussing with all" (AR 9 and AR 11).

By taking decision collectively, all OIAs select some mechanisms to resolve the problems. Though the mechanisms vary from association to association, every mechanism depends on the level of social capital. The higher stock and use of social capital help the association to act collectively for facing any kind of risk. The common mechanisms used by the OIAs are making collective decisions, organizing

collective action, formulating norms of reciprocity, negotiating with others and accumulation of financial capital. Participants of FGDs has asserted,

> "Since all of us are facing these problems, we all take the necessary decisions to resolve the problems. The decisions are formulated by sharing ideas, knowledge, experiences and information. By discussing in the meeting, we find out the root causes of problems and then plan for solution. The mechanisms are formed according to the causes of the problems. Most of the cases we resolve the problems by making collective decision, working together, mutual support and linking with others" (FGD 1, FGD 3 and FGD 9).

A representative of the OIA provides significant information about the techniques of problem resolutions. According to him, "We take those steps which are necessary for removing the problems. We make and use bonding and bridging social capital for it" (AR 3). As cited earlier, there are five common mechanisms applied by the OIAs to resolve the problems, there are the some other mechanisms that are used in the time of needs. These mechanisms are implicated collectively by collective action. These are reciprocal help in meeting the emergency, using social networks, accumulation of capital from the members and outsiders, negotiating with the required persons, sharing information, communicating with the formal organizations like the UP (Union Parishad), GOs (Government Organizations), NGOs (Non-Government Organizations), Banks *etc*. So, it is assumed that all OIAs create some association-grown mechanisms to tackle the problems. Among the mechanisms, collective decision and collective action play the most influential role in resolving problems. Though all OIAs resolved significantly their problems last year, the FCS, LFMS, WWS and VSS presented better example. These four OIAs make both bonding and bridging social capital by using different background of their members. Accordingly, they enriched their capability by sharing information and experiences with others. Due to this capability, they can develop necessary mechanism for problem solution.

To summarise this section, it is presumed that meeting attendance and participation in problem analysis process affect the social capital and poverty nexus significantly. Regular participation in meeting produces and reproduces social capital that creates, in turn, other forms of capital. While the meetings include different types of agenda to discuss for solution, it works as a tool of facing problems for the participants. The OIAs prefer to include financial, professional, wage related and organizational issues as agenda of meetings because these issues are directly influence their income. Only three OIAs—FCS, LFMS and VSS—include social, working area selection and political issue in their meetings for bridging network with others. The members of these associations extend their contribution to the community and thus participation in problem analysis process provides benefits to not only the members but also the society. In case of solution the problems, the higher success rate is observed for the ADLS, FCS, LFMS, WWS and VSS respectively whilst the higher failure rate is found for the TKU, PGPLS and CCS respectively. In all cases, the members of the FCS and LFMS respectively function better than that of other associations. The problem resolution depends on the techniques undertaken by the OIAs. Most of the cases, the techniques and mechanisms are taken through collective decision and actions. While the members act collectively, the problems are resolved significantly.

The exiting studies include meeting attendance for exploring social capital (Grootaert 2001; Coleman 2000; Grootaert and Narayan 1998, and Pargal, Gilligan and Huq 1998), but they do not put their attention to the agenda of the meetings. The present study has discovered the same result that regular participation in the meeting increases the stock of social capital of the participants. It has also found out that if the meeting solve different types of problems through making collective decisions, the

members can take significant benefits from the meetings. Most cases, the empirical studies have examined the financial discussion in the meeting because finance provides externalities to the participants. But only financial discussion may not resolve the social and psychological problems. As free riding and opportunistic behaviour come from the mind, these can be not reduce without enriching morality, ethics and cooperative behaviour among the members. It is essential to discuss different issues in the meeting through which the members can be cooperative and coordinated. The present study has focused on the importance of problem analysis process by which the participants resolve their problems. Thus, the problem analysis process keeps it important role on capital formation as well as poverty reduction. The present study has also explored the core issues of the meeting. These agenda are related with the finance, profession, wage and organizational conflict. By solving these problems, they have made their association active and formed different types of capital. Thus, it may be said that there is a relationship between problem analysis process and capital formation. In conventional sense, this finding is a new one.

PARTICIPATION IN COMMUNITY ACTIVITIES

Activities are the wheel of an association and a society as a whole. The community organize various activities for making its member active and dynamic, and for the development of the community. Participation in these activities helps to the community people to strengthen the both bonding and bridging social capital. While the members participate in associational activities, it reproduces the bonding social capital. Whilst the members take part in civic, voluntary and social activities, it extends their bridging social capital towards the community. People build different sorts of linking or bridging networks by involving—direct or indirect—in different types of activities for getting access to resources and services, information, and taking assistance in need. Whatever

the activities might be, people develop certain means to link or bridge with the activities and actors through ensuring regular participation. This creates closure relationship among the participants. In this way, the participants increase their feeling of solidarity and social cohesion, improve the communication, learn cooperative and coordinated behaviour and help each other to meet the emergency.

Without participation indifferent activities by the people, the stock of social capital—private and public—would be not increased. In this context, participation in community activities have categorized into three types. These are civic, voluntary and social activities. The participants solve many problems and accumulate different forms of capital through participating in these activities.

Participation in Civic Activities

Civic activities are the important area for capital (de) formation. It gives access to resources and services to, provides effective information for, makes bridging networks with, and increases income and ability to meet the emergency of the participants. On one side, it makes some opportunities for the people to accumulate capital and come out of poverty; on other side it bound the association to be transparent and accountable by regular monitoring. As a result, the associations working for the people can perform better for the wellbeing of the members and outsiders of the association. There are different types of civic activities, but the present study has examined those activities only which are related with the living standard of the working people.

Submission an Application to the Local Government

Local government (LG) is the basic organization for the development of the people. It provides different sorts of activities and assistance to the people for ensuring wellbeing and reducing poverty of the local people. It is essential for the poor people to bridge their network with local government. Around one fifth of the respondents'

submitted application to the LG last year for accessing some resources and services while four-fifth of them did not submit any application to it. No member of the PGPLS, CLS, HS, CCS and RPS respectively made any link with the LG. Every member of the FCS and LFMS respectively took benefits from the LG last year. Minor members of other OIAs extended their linkages with it. This difference is matched by the difference in stocking social capital among the OIAs. The FCS and LFMS practice social cooperative and coordinative behaviour among the members. The poor members of these associations took benefits from the LG by the help of other influential members. As the other associations are homogeneous, all members are poor, day-labourer and powerlessness. They did not take any help from the LG last year for three reasons. Firstly, they do not know the information about the benefits provided by the LG. Secondly, most of the members distrusted this office due to practicing corruption, nepotism and partisan policy. Thirdly, they had no members who could help to negotiate with the office. Participants of FGDs have informed,

> "Local government has important role for the development of the poor people. We do not know what is provided by this office to the people. We want to get only those services from this office what we are informed. We applied last year for collection of citizen and birth certificate, distribution of existing lands among the future generation, asking relief and Vulnerable Group Feeding (VGF), reducing land tax and resolution of the conflict" (FGD 1, FGD 2 and FGD 3).

A representative of the association asserts that we never go to the LG because it can do nothing for us (AR 6). Those who made a connection with this office last year took benefits. Around half of them have claimed that they met their needs successfully by the help of the LG. Those who deprived to get help from the LG have provided the causes— political corruption, financial corruption, bribes, lack of power, lack of collective voice, nepotisms and poverty. A KII has articulated "local government do

not work for the poor. They want money, political support and power. As I am poor and powerless, it does not help me" (AR 12).

Taking Shelter under Court

The court is another important institution where people take shelter for resolution of different types of conflict. Most of the respondents dislike taking shelter under court. Around one ten of the respondent took shelter under court last year for resolution of the conflict. A representative of the association has claimed, "We do not go to the court because it is enough to destroy a family" (AR 7). Another KII has informed that he went to the court before seven years, but the dispute is continuing (AR 1). As the court is the legal authority to resolve the conflict, people take shelter under it. When people face difficulties in court, they lost their faith on court. Participant of FGD have claimed "Although we dislike the court, we go to the court for resolution of conflict, land dispute, political case, dowry case and divorce case. By doing these, we lost our money, resources, time and labour, but we are always deprived from the justice" (FGD 5 and FGD 11). They distrust the court because of its lengthy process, corruption, political trial, and giving verdict in favour of money, power and politics. A KII has said, "Taking shelter in the court means to sell your home because you do not know when your case will be finished" (AR 3). Most cases, the participants resolve their dispute locally. Accordingly, they are able to avoid the court for resolution of the conflict.

Participation in Demonstration

People work together to raise their voice for fulfilling their demand. Demonstration is a tool of raising voice. While people demonstrate jointly, the authority considers the voice of the demonstrators. Participation in the demonstration not only creates some pressures to the authority to meet the needs but also build appropriate bridging social

capital among the demonstrators and authorities. It is found that around half of the respondents attended in the demonstrations last year. In this case the higher participation rate in demonstration is located for the FCS, LFMS, TKU, WWS and RPS respectively. The members of the FCS and LFMS respectively demonstrate for political cases whilst the members of the TKU, WWS and RPS respectively take part in demonstration for increasing wage, making security and establishing rights. A KII has informed, "I participate in any kind of demonstration for making network, good relation and increasing communication with others" (AR 5). Another representative of the association has noted, "If the demonstration is related with our income, we participate in it" (AR 12). Participant of FGD have cited,

> "We live by doing work. While we face low income, insecurity in the work and problems of unemployment, we organize demonstration and participate in it. We just express our demands to the people by the demonstration. We never take part in those demonstrations, which are not connected with our profession", (FGD 3 and FGD 12).

Some other respondents participated in political demonstration and social problem-based demonstration by hire. Most cases, they participated in demonstrations for increasing the wage, ensuring security in working place and occupation, strengthening political connection, supplying necessary electricity, gas and water, providing alternative sources of income in unemployment session, ensuring health security of women and child. They have also added that they solved some problems by demonstrations. Though participation in demonstration play a significant role on capital formation, major portion of the respondents never participate in it.

Participation in Political Campaign

Politics decide the country level development. There is a significant relation between politics and development. As a result, people link with political leaders or parties to take advantageous for their wellbeing. While around one third of the respondents

participated in political campaign, over two-third of them did not participate it last year. The figure for participating in political campaign is discovered highest for the FCS and LFMS respectively because these two associations are consisted with political persons. Few members of the other OIAs took part in it to case vote in the UP election. Accordingly, the rate of participation in political campaign is very observed very low in this study. "We all are the members of same political party. As a result, we all participate in any kind of political campaign", has added by a KII (AR 2). Another representative of the association has informed that some of them involved in casting vote for LG election for making well connection with the candidate (AR 1). Most of the participants think that the present politics is harmful for them. So they dislike participating in it. But the interesting finding is that those who participate in political campaign gain more resources by using political linkages. It may be concluded that there is a nexus between participation in political campaign and capital formation.

Participation in Local Level Development Meeting

Participation in local level development meeting is also essential for bridging communication with community people and for the development of the community. To make a peaceful and harmonious community, people want to involve in development process of the community. It also helps the people to extend their network for making trust and norms among the community people. Around one third of the respondents have participated in local level development meeting last year. They participated in it for keeping relation with community people, making unity, cleaning the drain, making primary school, mosque, road, ensuring mutual benefit, ensuring security of the community, establishing social control and community-level development. The members of the FCS, LFMS and VSS respectively took part in the local development meeting while few members of the ADLS, FLWS and TKU respectively participated in it last year. Participants of FGD have stated,

> "We live in the society. If we make our neighbour and society peaceful and united, we feel secured in the house. So, we try to build our social capital—good relation—with all by participating in local level development meeting. We participate in it for making good relation, taking help from them in emergency, ensuring surety at home and development of the community" (FGD 3).

Regarding participation in local development meeting, the highest figure is found for the FCS and LFMS respectively. As the stock of social capital of these two associations is higher than other associations, they want to keep their role on local development. The background of the members—income, education, resources and power—encourage them to involve in local development meeting. Accordingly, it may be concluded that heterogeneous association is better than homogeneous association for participating in local level development efforts.

Participation in Voluntary Activities

Participation in voluntary activities is related with social capital. People expend their time and money voluntarily for the welfare of the community and collective action. At the one hand, it encourages people to act cooperatively, collectively and co-ordinately through strengthening network of relations, trust and norms; at the other hand it gives the access to the people to the resources, services and opportunities by bridging network with others. It also makes the other institution and persons effective, transparent and accountable. Thus people can transform the participation in voluntary activities into capital formation that, in turn, affect the wellbeing of the people. In this study, voluntary activities have analyzed by fund collection for and fund management of the association, giving assistance to other member to meet the emergency, development activities of the association, professional training and cultural festival.

Fund Collection of the Association

Fund is the driving force of an association. The members of the association work collectively and cooperatively for making accountable and transparent of the fund. It is needed to expend time and money for collection of fund. In all cases, most of the

participants took part in colleting fund last year. While there is network of relations, trustworthiness environment and mutual support in the association, the members voluntarily participate in fund collection process. The same picture is found for all OIAs because of social capital. The KIIs have informed, “they involved in fund collection for keeping group unity, being self dependent, increasing associational resource, reducing poverty of the members, organizing collective action and making trust among members” (AR 1, AR 8 and AR 12). The highest fund has accumulated by the FCS and LFMS respectively because all members of them involved in it last year and collected fund from the outsider also. As these two associations have bridging social capital, they can take financial support from the outsiders.

Fund Management of the Association

Fund management is another important part to keep the members together. If the fund management become transparent and accountable to the members, they willingly participate in any kind of collective action. While the fund is managed, used and distributed illegally, the members become inactive. A little portion of the respondents understand the need of fund management and participated in it voluntarily last year. Although all members did not take the responsibility of fund management, the cashier was selected by collective decision. Near to all members always kept the information about the fund and its utilization. While the meeting was arranged, they provided their opinions about fund management. In this sense, all members participated in the fund management process. They all voluntarily squandered their important time and money for it. The KIIs have opined, “We participated in this activity for ensuring proper utilization, and equal distribution of the fund through making transparency and accountability” (AR 1, AR 5, AR 7 and AR 10).

Giving Assistance to Other Member for Meeting Emergency

Reciprocal help plays a great role for meeting the emergency of the people. Poor people face always some sorts of problems that push them again under the poverty line. Due to lack of assistant from formal association, they help each other in meeting the needs. This is the indigenous mechanism of the poor or working people to cope with the risk. Reputation of this mechanism helps people to form the trust, norms of reciprocity and cooperation. In this case, close to all respondents provided assistance to others in order to meet their need last year. The figure in assisting others is found highest for the FCS, LFMS, WWS and VSS respectively, but all OIAs practice this norm regularly. They participate in this activity for the expectation of taking help in the emergency. Participants of FGDs have notified,

> "We all participated in giving aid to others because it would return to us in future. By exchanging help, we make social relation, trust and norms of reciprocity, increase our expectation and obey norms of the association. We think that it our duty to help the other members in meeting the emergency; otherwise they may fall in difficulties which may be causes to lose some property" (FGD 6 and FGD 9).

It is observed that most of the members take financial support from others and they give assistants to the others at the same time. This giving and taking support mechanism is highly practiced in all OIAs. Although the amount of financial support varies among the associations, it helps significantly to meet their emergency. The cooperative behaviour, trustworthiness environment and human love encourage the members to make a norm of reciprocal help in the society. Since all OIAs have built some level of social capital among the members, they can contribute to help the other members. Accordingly, there is a nexus between reciprocal help and poverty reduction.

Participation in Professional Training

Professional training is necessary for improving the skill of the worker. As the OIAs are informal in nature, most of the respondents take never any formal training. They learn their occupation-based work through learning by doing and sharing experience

with others. Around one fifth of the respondents participated in professional training last year. Among participants in professional training, most of them are the members of the FCS, LFMS and WWS respectively. The members of other associations learn everything practically and informally. They improve even their skill through learning by doing. The KIIs have said, “Formal training is not necessary for us. We learn the techniques of our work by doing. This practical training is better than the formal training”, (AR 6 and AR 12). Those who participated in formal training last year have claimed that it is important to develop skills, share experience and knowledge, and extend the social networks.

To conclude, it may be said that the rate of participation in voluntarily activities is very low. All members do not participate in these activities equally. It varies from association to association. The members of FCS and LFMS respectively take part in all kinds of voluntarily activities while the members of other OIAs participate in reciprocal help only. It may be assumed that the higher the stock of social capital in the association is the higher probability to participate in voluntarily activities.

Participation in Social Activities

Social activities are essential for creating social relation, social interaction, trust and norms. Since people live in the society, they have to participate in different types of social activities. These activities make the society united and provide social harmony, cooperative behaviour, and collective action for mutual benefit by linking each other. People always try to meet their needs through bridging networks with others by participating in social activities. The outcomes of participation in social activities play important role in sustaining the everyday life of the people. In this study, social activities are discussed and analyzed by six indicators—cultural festivals, religious activities, games, picnic, home visit and social event.

Cultural Festival

Cultural festival is an important source to build social capital as well as other forms of capital. By joining these festivals, people can bridge their network with others and can accumulate physical, human and social capital. They can also pass their leisure time by enjoying it. Over half of the respondents have claimed that they joined in cultural festival last year. The members of LFMS, FLWS, CLS and RPS respectively took part in it last year. They took the decision collectively to join in it. While the members of LFMS contributed to it for bridging their networks, the members of other OIAs partook in it for simply amusement. As they joined it together, it helps to strengthen their level of social capital. A KII has pronounced, "We do not want to take part in cultural festival because it gives no return to us" (AR 8). Another representative of the OIA have told "We participated in this activity for enjoying the time, keeping social responsibility, making social relationship and friendship" (AR 4). As the members spend their leisure period with the family and gossiping with others, a big portion of them do not interest to participate in it. Among those who participated in it, most of them can increase their stock of social capital.

Religious Activities

Religious activities are significantly related with the life and society. Each man is living by obeying some sorts of religious value. People bridge their network and strengthen the social relations, trust and norms through participation in religious activities. Two-third of the respondents participated in religious activities last year whilst around one third of them did not participate in it. They participate in it for learning some religious practices. The KII has argued, "Religious activities are very important for our life. I participate in these activities for making network with religious people, knowing some practices and living by religious rules and norms, and

establishing a peaceful life" (AR 1). "I participate in it due to my family pressure" has added by another KII (AR 10). It is observed that some members participated in religious activities for the wellbeing of the other worlds and making good relations with religious persons. In case of participating in religious activities, the same figure is located for all OIAs. The surveyed population is observed that they are religiously biased. So they want to participate in it. In each association, it is observed that most members are Muslim which encourage them to act collectively. As religious belief lie in the mind, it can motivate people easily to cooperate and coordinate with each other. It is hard to strengthen social capital by avoiding religious belief. Accordingly, most of the respondents always participate in the religious activities. By triangulation the above information, it may be said that the members of the OIAs bridge their social capital through participating in religious activities.

Participation in Game

Game is an important means for the working people to make social networks with others. Though people take part in it for recreation, but they use this means to produce social capital. Due to lacking of alternative ways, the working and poor people expend their leisure time in game. They make social relation, share necessary information and find out new job from the game partners. In this case, close to all respondents participated in different games last year. Most of them participated in card games while few members participated in Football and Cricket games. The young members choose to play Football and Cricket. A representative of the OIAs has noted, "I play cards every afternoon to pass the leisure time with friends" (AR 1). Another KII has informed, "I take part in games for making friendship with others. I have received support from the game partners many times to meet the need" (AR 7). Except the members of the FCS and LFMS respectively, the members of the other association

played with the homogeneous people. The members of the FCS and LFMS respectively played with the people who had different background. The members of the FCS and LFMS, however, create bridging social capital through participating in the games while the members of the other OIAs build bonding social capital by it. According to the participants, game partners work as a family member in the time of needs. Participation in games thus is related with capital formation as well as wellbeing of the people.

Engagement in Picnic

Picnic is another social activity through which people increase their network, trust and norms for making social harmony among them. People involve in picnic because it give the opportunity to make well connection with other. By using this connection, one can accumulated different kinds of capital—physical, human and social. Close to all respondents participated picnic last year whilst around one ten of them did not take part in it. The associations arrange picnic at least once in a year for recreation and making unity among the members. The members work collectively by contributing money, labour and time in picnic and come very close to each other. According to the participants, they took part in picnic for recreation, making networks and trust, making friends, and increasing the unity. As it is plays effective role on building social capital among the participants, it helps to form different types of capital. A KII has added, "I made a good friend through picnic. In later, this friend helps my son to find out a job" (AR 3). Form the above information, it may be summarised that participation in picnic can help the participants to accumulate capital by using the network.

Visiting Other Member's House

People sometimes visit other's home in order to make and strengthen social network or social connection. Through this process, they gear up the social trust and norms to increase the reciprocal help in time. If the social networks, trust and norm of

reciprocity are generated and regenerated through visiting other member's home, it may increase the formation of capital, and thus it may also affect the poverty. Close to all respondents visited other member's house last year whilst one then of them did not visited. Though they did not visit all members' home, they visited only those homes, which are connected with them. Some members visited other homes for making good relations. The same picture is observed for all associations. A KII has opined,

> "I have limited connection with other people. I cannot bridge my network with the institution and influential persons, so I visit other member's house for increasing network sand relations, reciprocal trust and help, communicating with the family, and keeping the social responsibility" (AR 5).

Along with this information, close to all respondents strengthen their stock of social capital by visiting other house. Sometimes, they solve their problems by the other people though home visiting.

There are some empirical studies that include participation in activities for exploring social capital formation and examining the impact of social capital on poverty. Helliwell and Putnam (2000), Woolcock (1998) and Morris (1998) include civic activities at macro level and presumed that these activities have significant impact on poverty reducing and increasing economic growth. These studies do not include civic activities at micro level. The present study explains how the poor people bridge their networks with civic activities. It also concludes that micro level civic activities affect the capital formation significantly. Grootaert and Bastaler (2002), Grooaert (1998) and Narayan and Pritichett (1997) include voluntarily activities to assess the bonding and bridging social capital. They conclude that it plays an important role on reducing poverty. The empirical studies find no relation between social activities and poverty reduction. This study has claimed that social activities increase not only the participants' capital but also the societal capital as a whole. Though the existing studies

include civic and voluntarily activities separately, the present study include activities by the combination of civic, voluntarily and social activities. The presumption of this study is that participation in activities creates different forms of capital and thus it affects the nexus between social capital and poverty.

PARTICIPATION IN BENEFIT SHARING

Sharing benefit is the core issue of working together. Many collective actions have failed because of unequal distribution of benefits. The selfishness, free riding and opportunistic behaviour create in people's mind if there is enough chance to take advantages from the benefits and thus collective action problems are arisen in the association and society. Social capital, however, keeps the people together to distribute benefits equally. The higher stock of social capital is the higher chance of equally distributed benefits. If there is enough opportunity to participate in benefit sharing by all, each member would be encouraged to act collectively for building social capital as well as other forms of capital. The success or failure to participate in benefit sharing would lead to reducing poverty or wellbeing of the people (Bastelaer 2002: 237).

The OIAs are formed aiming at taking benefits through collective decisions and actions. The sustainability of the OIAs depends on how the benefits are distributed among the members and how the members take part in sharing benefits. This section has analyzed the process of participation in benefit sharing by two ways. These are benefit making mechanism and benefit sharing technique.

Mechanisms of Benefit Making in Association

The benefit sharing technique depends on the mechanism of benefit accumulation. If all members participate in making benefits, all of them can participate in sharing it. The benefit sharing techniques might be hampered while the problems of collective action—free riding, selfishness, opportunistic behavior and financial corruption—are

arisen in benefit formation. For these reasons, the participants would give up the association and thus the association would be collapsed. With the help of social capital, and participating in association and activities, the members of the OIAs get enough opportunities to accumulate different forms of benefits. Since the members attend the meeting regularly, they help each other in emergency. They collect a common fund from each member, exchange ideas, experiences and knowledge, and practicing giving-taking technique of financial debt. They increase their household resources by these processes. All processes are linked with collective decision and action. The more one association practices collective action, the more it accumulate benefits. A leader of the association has noted, "The main tool of benefit making is working together" (AR 2). Another KII has informed, "We stock our benefit by collective efforts" (AR 12). It is observed that all members participate in making benefit and collective action. "Collective action and benefit formation is the resources to us. So we participate in it" (AR 7).

The participants of FGDs have noted,

> "We participate in the associational activities in order to make benefits. The benefits are available here. We accumulate the benefits through the process of regular saving/ investment, reciprocal discussion—formal and informal, effective social interaction, sharing information, exchange material or non-material goods in time, collective decision and collective work", (FGD 1, FGD 5 and FGD 11).

By triangulation of the above information, it is found that all members take part in benefit making activities. They accumulate benefits through collective decision and collective action. Some associations have higher level of social capital while the some other associations have lower level of social capital. Thus, there is observed a variation for benefit accumulation among the OIAs. The higher benefit is collected by the FCS, LFMS and WWS respectively whilst the lower benefit is accumulated by the TKU, PGPLS and CCS respectively. The former three associations organize

collective action again and again and use their capital in income earning businesses. Accordingly they earn higher amount of benefit. The later three associations fail to build social capital and act collectively. Thus, they achieve less benefit by joining in the associations.

Benefit Sharing Techniques

Since benefit is important for sustaining the association, the techniques of benefit sharing are also vital for keeping the member together. People act together for proper distribution of benefit. If the benefit is not distributed properly, the member of the association loss their interest to sustain the association. Thus, sharing benefit plays an important role on capital formation. As cited earlier, benefit distribution process is associated with benefit making mechanism. Since most of them contribute to make benefit, they attend the meeting of sharing benefit. A KII has opined, "Benefits are distributed by collective opinions" (AR 8). This information is discovered for all OIAs, except the LFMS. According to the representative of LFMS,

> "We create the association for taking the plot from the government to plant trees. We work together to taking care of trees, but the trees and plot are personal for all members according to the deed. None can handle my benefit while I would sell the trees. Though we take decision about the time of selling trees, the benefit is completely personal" (AR 3).

By taking decision collectively, all associations, excluding LFMS, distribute the benefit equally. A leader of the OIA has said, "Benefits are distributed equally, but once I took it mutually for meeting the emergency" (AR 9). While a member fall in difficulties, (s) he discuss with other members to take a big amount of benefit. In this process, the benefits are sometimes distributed mutually. The participants of FGDs have focused,

> "We always participate in the benefit sharing process so that no one can manipulate the benefits. If someone try to take advantages form the benefits, they strongly protect it through collective voice. Thus, they create a environment in the association so that everyone trust each other and the benefits are shared equally by all" (FGD 2, FGD 7 and FGD 12).

All participants have said that they faced no difficulties in sharing benefits. Social connections, trustworthiness environment and cooperative attitude among the members make the members united and coordinated for the wellbeing of others. The formation of social capital in the association encourages its member to take decision and act collectively and cooperatively for equal benefits. By participating in benefit sharing process, the members accumulate different forms of capital.

Putnam (1993), Coleman (2000), Krisna (2000) and Narayan and Pritchett (1999) has shown that equally or mutually benefit sharing is significantly related with household welfare. The present study has assessed not only the process of benefit sharing but also the mechanism of benefit producing. It also observed that social capital can be enriched through collective action-based personal benefit—the case of LFMS—and the help of members' background. Though this study has discovered same finding in case of sharing benefit, it is also assumed that sharing benefit process can be useless until the members participate in the process of benefit accumulation. This study has added new findings with the existing studies. These are: (i) participation in benefit accumulation process is significantly linked with the capital formation as well as the level of poverty and (ii) social capital and collective action can encourage people to gain personal benefit by creating competition among them. This competition does not make any obstacle to organize collective action.

CONCLUSION

This chapter explores how participation affects the capital formation and social capital and poverty nexus. The aim of this chapter has been examined by five sections. Firstly, it assesses the nexus between participation-social capital and household welfare by the existing study. Secondly, it explores the participation in association and its impact on capital formation. Thirdly, it examines the meeting attendance and

problem analysis process and how it affects the peoples' wellbeing. Fourthly, it analyzes the participation in activities and fifthly, it scrutinizes the process of benefit sharing and its role on poverty reduction.

Firstly, Participation and social capital is interlocked and interwoven. It keeps the participants together. It encourages them to make social networks, trustworthiness environment and reciprocal norms for making different forms of capital. Participation has different forms. These are participation in association, meeting and problem analysis process, activities and benefit sharing.

Secondly, three types of participation in association—group formation process, quality of participation in present activities and density of participation—are associated with the formation of capital. Participation in group formation process plays a significant role in building social capital. In case of quality of participation, willingness, activeness and background of the participants make the participation effective, which strengthen social capital as well as other forms of capital. The higher membership in association is the lower amount of poverty. The density of membership is correlated with poverty reduction. All these participation become effective by the mechanisms of collective decision making and collective action.

Thirdly, both meeting attendance and participation in problem analysis process affect the social capital and poverty nexus significantly. Regular participation in meeting produces and reproduces social capital that creates, in turn, other forms of capital. While the meetings include different types of agenda to discuss for solution, it works as a tool of facing problems for the participants. While all OIA include financial, professional, wage related and organizational issues as agenda of meetings, few association take account of social, working area selection and political issue as discussing agenda. The problems discussed in the meeting are resolved by collective decision and actions.

Fourthly, there are three forms of activities. These are civic, voluntarily and social activities. All forms of activities are linked with capital formation. Since participation in civic and voluntarily activities is influenced by the background—income, resources, education, sex, social position—of the participants, the poor people do not participate in these activities. Participation in social activities is highly correlated with capital formation at both individual and societal level. By participating in civic, voluntarily and social activities, participants increase their social capital by which they accumulate other forms of capital.

Fifthly, the mechanism of equally benefit sharing make trust among the members. The effectiveness of benefit sharing mechanisms depends on the benefit collection mechanisms. If the two mechanisms are formed by the collective efforts, the free riding and opportunistic behavior may be reduced. While the members raise their voice collectively, the process of sharing benefit becomes transparent and accountable. Thus, people are encouraged to act collectively for equal benefit. Another finding is that collective action based personal gain affects also the social capital and poverty nexus.

CHAPTER IV

TOWARDS INTERLINKAGES: EMPOWERMENT AND WELLBEING

Social capital increases empowerment by sharing information and making collective decision. As empowerment creates the access for the poor to services and resources, it may be presumed that the higher the empowerment rate the lower is the amount of poverty. This chapter has addressed the question whether empowerment influences poverty or wellbeing through capital (de) formation, and if yes how it is occurred. Focusing on empowerment, this chapter argues that empowerment develops the capabilities and resources, which are transmitted directly into wellbeing of the people. Empowerment ensured by social capital provides some resources that help the people to reduce poverty. Taking empowerment standard through building social capital in the OIAs of Bangladesh and its impact on poverty reduction as a case in point, this chapter has claimed that information sharing, inclusion, accountability and collective decision—tools of empowerment— are creates important externalities that affect the linkages between social capital and poverty. These externalities are physical, human and social capital.

This chapter has also argued that the mechanisms to ensure the four tools of empowerment have significant effect on capital formation. Both copying and pooling mechanisms for sharing information and bridging networks for inclusion are essential for poverty reduction. At the same time, collective efforts can play a vital role for making accountability and collective decision. Those associations empower its member properly by the four tools function well and provide ample benefits to the members. It focuses on empowerment of the poor people by building social capital in order to reduce their poverty.

This chapter has four core sections. The first section has explored concept of empowerment. The second section has revisited the nexus between social capital and empowerment by SLR. The third section has examined the process of empowerment through four tools. The fourth section has assessed the impact of empowerment on the development of capabilities and resources. And finally this chapter has provided a summary of the findings.

UNDERSTANDING EMPOWERMENT

Empowerment is an important tool of development as well as poverty eradication. As empowerment is correlated with the access to the resources and services, powerlessness is presumed as an important cause of poverty. The researchers, policy makers and practitioners have recently put their attention over empowerment to decrease poverty from the society. But debate goes on about the definition of empowerment. However, a universally accepted definition of empowerment is yet to be devised. The concept of empowerment is rooted in the notion of power and in its reverse, powerlessness or the absence of power (Hossain 1998:06). Power is associated with the form of empowerment. Since power takes different forms in nature, empowerment has many meanings to many people. It is used in many ways and in a wide range of contexts representing political and philosophical perspective from World Bank to feminists.

In order to conceptualize empowerment, the existing studies explore what power is and how it works. Due to different forms of power, the definition of empowerment varies widely. Most cases, it is analyzed within the framework of power to, power over and power within. ‘Power to’ indicates that it does not reduce other’s power for increasing one’s power. It is not a fixed entity, rather it can grow substantially if one work at it. In comparison with ‘power to’, the opposite view is

produced by ‘power over’ because it increases one’s power by reducing other’s power. It is positive-sum for the some people while it is negative-sum for the some other people. Both the two approaches fail to consider the norms, rules and values of the people, which are important to change the behavior of the people. Due to this weakness, the feminists have brought the concept of ‘power within’. The basic assumption of this concept is that social rules, norms, values and practices—in other word, social capital—play a critical role in concealing the reality and pervasiveness of male dominance and defusing gender conflict. Whatever the paradigm is, empowered should be conceptualized including economic, social and political contexts for establishing equity and balance. Thus, it is necessary to analyze empowerment within the framework of ‘power to’ or ‘power within’.

In case of situation analysis, empowerment is explored through examining the situation in which power is captured, exercised and controlled. As Rappoport (1986: 69) notes “empowerment is like obscenity; you have trouble defining it but you know it when you see it”. As the nature of empowerment vary from context to context, it is better to explore the situation in which empowerment is occurred. A powerful individual is more capable to achieve many things due to having their specific identity and position in the society (Barnes 1988: 3). Accordingly, empowerment should be investigated within the frame of situation.

In ideal perspective, it is an essential starting point and a continuous process for realizing the ideas of human liberation and freedom for all ((Hall 1992: 83). This definition focuses on the process by which peoples’ ability to understand the human liberation and freedom is developed, but it excludes the facts—rules, norms, practice, values *etc.*—that are necessary for internal empowerment of the people. These facts are considered social capital of the individual and society. It is a negotiating process

in which individual or a group of individual attempt to change some components of their conditions of day-to-day life (Villarreal 1992:256-257). Both the two definition indicate empowerment as a process of changing some elements of the social structure and thus it increases the wellbeing of the people. Moreover, the process has three important dimensions: (i) condition for empowerment, (ii) routes for empowerment and (iii) achievement or output of empowerment (Mahmud 2004: 162).

In a broader sense, empowerment is the expansion of freedom of choice and action (Narayan 2002: 14). It means increasing one's authority and control over the resources and decisions that affect one's life. As people are rational, they promote increased control over their actions and lives through exercising real choice. Poor people choice is extremely limited because they have limited options to negotiate appropriately with a range of institutions—formal and informal—for gaining access to the resources and services. In this sense, to increase the options of choice, building social capital is essential. It is important to investigate the fact of how social capital empowers the people, which is related to the concept of 'power within'. By including social, political and psychological power, it is necessary to conceptualize empowerment within the frame of 'power within' (Friedmann 1992: 33). Empowerment, however, is a process by which social norms, values, practices *etc.*— social capital— are formed and reformed.

Empowerment has many elements. But, access to information, inclusion and participation, accountability and local organizational capacity are important tools of empowerment (Narayan 2002:18). These four elements are closely intertwined and act in synergy. The organizational capacity depends on the collective decision. While the people decide collectively about their performance, the organization functions well. With keeping this argument in mend, collective decision is considered as a tool in the place of organizational capacity. Thus, empowerment is analyzed within the frame of 'power within' through these four elements by observing the situation.

SOCIAL CAPITAL, EMPOWERMENT AND POVERTY

There are linkages between empowerment and social capital at one end and poverty at other end. The network of relations, trust and norms of reciprocity affect the level of empowerment by sharing information, collective decision making and collective action. The appropriate empowerment provides the poor access to the resources and services through which they can increase their income. At one hand, participation in association and its activities, as said in chapter three, enhances people's capability and resources, which is directly linked with empowerment and poverty, at another hand, cooperative behavior, coordination, and collective voice and action create pressure over the institutions to provide better services and make accountability. Accordingly, empowerment in social capital literature is explored with the presumption that it is correlated with poverty.

In one hand, the rules, roles and sanctions—structural form of social capital—are the starting points of generating power and authority in the society (Ostrom and Ahn 2003: xxiii and Ostrom 2001: 13). The structural form of social capital governs the behavior of individuals and regulates the exchanges. Thus it coordinates between individual decisions and regulates its implementation. In another hand, trust, norms and values—cognitive form of social capital—strengthen people's capability, identity and position, which are the prerequisites of empowerment (Uphoff 2000: 218; Dasgupta 2000: 332; Knack 2002:57). The cognitive social capital is associated with social capital as well as household welfare. However, powerful people—empowered people—can take support from both structural and cognitive forms of social capital than the powerless people (Uphoff 2000:11).

By bridging networks with local self-governing institutions, the poor evolve a sense of collective identity that can over time lead to empower them. Bridging network helps neither to hear the voice of the poor nor to add something in the

wellbeing of the poor. A powerful social group may be able to impose its preferences on the less powerful by using its power to sanction non-conformity. In this point, individuals may call upon a variety of attributes to justify their institutional positions or influence, for instances economic wealth, professional knowledge, kinship and marriage, official position, and personal characteristics such as honesty, strength, and eloquence (Cleaver 2002:19).

Focusing on symbolic mode of power, Bourdieu (1986: 168) explores that the ruling classes strengthen their control over society by manipulating rituals, traditions and cultural symbols to naturalize their legitimacy, and thus the institutions become the instruments for the powerful to exercising their power. With examining the process of legislation pass in the Senate Club of USA, Coleman (2000:21-22) infers that social capital and empowerment are correlated. He indicates how a legislator becomes more powerful than others. By building social networks, trust and norms with other legislators, a legislator build up a set of obligations that are used as credit slip to pass the legislation. The higher stock of social capital makes a legislator more powerful through which (s) he takes different benefits.

Ostrom (1992) explains the mechanism of how social capital affects poverty through empowerment by reviewing the mechanisms of a successful irrigation project. Firstly, the irrigators produce a significant level of social capital among them through regular interaction, discussion and action. Secondly, they make operational rules by collective decision in which everybody can contribute. Thirdly, the operational rules are implemented through collective action or by the collective representatives. Since each irrigator has the power to contribute in decision and action, everybody take part voluntarily in distributing water and using, operating and repairing the irrigation system. By using these mechanisms successfully, the irrigators

increase their production significantly. According to her, social capital empowers the people first and then empowerment provides some benefits to reduce their poverty. The same illustration is provided by Rahman (2010), who have studied the Gram Committee (GC) of Bangladesh. Firstly, the GC creates sense of trust, network, communication, relationship, cooperation and interactions among the villagers. Secondly, it makes collective decisions and plan for action by discussion all, sharing information and making coordination with all. Thus it make the government official transparent and accountable by regular monitoring and advice.

In a seminal work on Gal Oya Irrigation System in Sri Lanka, Uphoff (2000: 233-34) informs that social capital—roles, network, trust and norms—improve the capability of farmers—water user groups—to ensure their cooperation, develop the provision and allocation water and maintain the system. By giving power to the water users about decision making, resource mobilization, communication and conflict resolution, the system become most efficient and cooperatively managed system though it was known to be the most deteriorated and disorganized system in Sri Lanka. The system, however, increases the production of rice per unit of irrigation water by about 300 percent.

In case of Grameen Bank (GB) of Bangladesh, Larance (1998: 29-31) searches how social capital helps its member—especially the women—for empowerment. Each member increases personal identity, collective identity, collective voice and capability for making decision by building social capital among them. Since social capital empowers them to work in and outside the home, they can contribute on family welfare by doing business. According to her, the members of GB are empowered very well by the help of social capital.

Regarding the successful implementation of the Rajasthan Development Project, Krishna and Uphoff (1999: 5) provide a nexus between social capital and empowerment. By forming a user committee for organizing and managing a variety of soil and water conservation works on common land, such as planting trees and grasses, enforcing rules for protection and extraction *etc*, the villagers empower the user committee members fully to formulate and implement decisions. Accordingly, the project works well and the villagers share the cost and benefit equally without question.

Sandefur and Laumann (2001: 75-78) assert that social capital—trust, obligation and effective norms— empowers people to influence others and keep them free from other's influence due to the stock of obligation that is produced by reciprocal help. This obligation may be useless until it is used. While it is used, it provides more influential power to the people. Thus, the more the stock of obligations is the higher stock of power and lower amount of poverty. The same argument is in a study on community based development in Coal Mining Areas in Orissa, India. This s shows that social capital— generalized trust, collective action and social cohesiveness in civil society— exchanges the power relations in order to make access to resources, control of access to resources and control of the achieved resources or grants. Since the people have higher stock of social capital, they can take decision, plan for activities, use resources and resolve the conflict and regenerate power for influencing others.

With revisiting the existing studies, it is summarized that social capital— social network, trust and norm of reciprocity—is linked with empowerment because it uplifts the capability of people. The capability increases also the power of people to do something. As empowerment helps to do something, it enlarges different forms of capital for poverty reduction. Accordingly it is presumed that empowerment is related with as social capital as poverty.

PROCESS OF EMPOWERMENT

Empowerment, as said earlier, is a process of capability development. The capability is not increased simply; rather it is expanded through social capital. The appropriate use of social capital makes some outcomes, which add up with the capabilities of the people. The outcomes are information sharing, inclusion, accountability and collective decision making. By these outcomes, empowerment is occurred successfully. Appropriate information and inclusion in different activities provides the access to the resources and services while the accountability and collective decision make the services and actions effective and beneficial to all. These four elements are the preconditions for empowerment. These elements are interconnected and work together. The process of empowerment has analyzed in this study through examining the four elements. These are information sharing, inclusion, accountability and collective decision.

Information Sharing

Information is vital for everyday life. An informative person can enjoy a better life than a non-informative person. With the help of appropriate and timely information, informed citizen can easily take advantages from opportunities, get access to resources and services, exercise rights, make appropriate decision, negotiate effectively with others and hold the state and non-state actors accountable (Narayan 2002: 19). People can many times not take effective decisions[17] and actions due to lack of relevant, timely and appropriate information (Collier 2002:26-27; Sandefer and Laumann 2001: 75; Coleman 2000:22; Krisna and Uphoff 1999: 45). It is also helps the actors to meet the shocks and increase production (Fafchampa and Minten

[17] Appropriate information makes appropriate decision because it is statistically related with social capital. By accessing one source of information, a individual can enhance his/her social capital and decisions by 0.8 points on average (Krisna and Uphoff 1999: 45).

2002: 135-139) and increase income[18] and institutional performance (Burt 2001: 258; Serageldin and Grootaert 2000: 47). As a result, information sharing is considered as an essential mechanism of empowerment. But it is neither we know whether the poor share information nor we inform what types of information they collect by what mechanism. The main aim of this section is to explore the process of sharing information. In doing that, this dissertation has analyzed information sharing condition, its mechanisms, types and media, which are analyzed below.

Information Sharing Condition

It is presumed that people share necessary information that facilitates their actions. The information stocking depends on the attributes of the people. While the people with different background interact, they can accumulate more information. The homogeneous background-base interaction can provide less information. The poor have less stock of information because they interact with the same persons. Although they collect some information for their daily life, they are still deprived from the resources and services due to lacking of information. Without sharing information, it is hard, but not impossible, to make decisions, raise voice and organize action collectively. A KII has replied, "By joining the association, I have increased that knowledge, which is necessary for my daily life" (AR 4). Another KII has added,

> "I spent my relaxed time with the member of the association. I have neither capability nor sources to collect required information. Accordingly, I collect necessary information from gossiping or discussion. The real fact is that I have increased my stock of information due to taking membership in the association", (AR 1, AR 3 and AR 9).

With revisiting the above information, it may be assumed that the respondents have improved their necessary information by joining the association through regular interaction, discussion and meeting. This information facilitates their actions to

[18] Appropriate and timely information leads lower transaction costs and a greater range of market transactions in output, credit and land, and thus it facilitates to generate higher income (Narayan and Pritchett 1997: 5).

accumulate different forms of capital. As opposite to this argument, the negative answer is also found. “The association never helps me to collect information because it has been facing conflicting situation from the beginning” (AR 5). This situation is observed for few association, but most respondents can increase their necessary information is true. Accordingly, it may be summarized that participation in association improves the stock of information significantly.

Types of Information Collected

There are many types of information, but people never collect all information. People accumulate only that information, which are essential for their daily lives for two reasons. Firstly, it provides necessary inputs to make decisions and actions. Secondly, it facilitates equilibrium between income and expenditure. While an individual interacts with vertical background-based people, she/ he can accumulate different information. As the respondents interact with same people, they have less opportunity to collect different types of information. Accordingly, they collect daily life survival-based information only. The common information shared by the respondents is the price of daily necessary goods, especially the price of rice, vegetables, oil and fish. Information collection varies from association to association due to the difference in meeting needs. This variation is created in collecting information about wage, politics, occupational benefit, sources of loan and civic facilities, which are discussed below.

Most of the associations disseminate their occupation-based information while the FCS and LFMS respectively provide variety of information to its members. While the members of the FCS share and collect necessary information about politics, price of oil and agricultural inputs, environment and social condition, the member of the LFMS accumulate different kind of information including price of tree, services and resources provided by the government organization (GO) and non-government organization (NGO), politics and health services.

The members of other associations collect their occupation related information only. The members of the ADLS collect the information about wage, price of fertilizer and pesticide, value of agricultural products and politics and the members of FLWS gather the information about the value of fish, weather, opportunities for fishing labor, sources of loan. The information about the wage and price of clothes is stocked by the members of the TKU whilst sources of work, wage, and sources of loan related information are accumulated by the members of the PGPLS. The members of the WWS collect information about the price of products, facilities for women, health facilities, and sources of loan. The information collected by the members of the CLS is wage and sources of work while it is gathered by the members of the VSS are price of vegetables, politics and locally influential authority. The members of the HS collect information about the market value of selling goods, politics and mobile court whilst the members of the CCS gather wage, technology, sources of loan and politics-based information. The information accumulated by the members of the RPS is price of rickshaw and sources of loan.

Though the members collect other information, the nature of sharing information varies from OIA to OIA due to the existing deference about the needs of the members depending on their occupation. With the exception of the market price of daily necessary goods, the members interest to accumulate frequently six types of information—wage, security, occupational benefits, sources of loan, civic facilities—that are essentially needed for their income earning, making savings, meeting the emergency and maintaining family.

Wage

Wage is important for working class, who maintain their daily expenditure by it. If the worker gets fewer wages than the daily expenditure, it becomes hard for them to survive. When the worker falls in miserable situation, they have to take financial help

or loan from others and this is paid again from the wage. As the poor always makes equilibrium between income and expenditure, they need to know the rate of wage. This information is regularly collected by the members of the ADLS, FLWS, TKU, PGPLS, CLS, CCS and RPS respectively. A KII has noted, “I collect this information to buy the necessary goods for the family” (AR 1). Another KII has added, “Wage is associated with my family survival” (AR 8). The respondents, however, accumulate this information for everyday’s survival.

The members of the other OIAs do not gather wage related information because they earn by doing business. They also account their income earned by business. Some members of these associations share this information in order to give wage to the worker, who is involved in their business. With considering this fact, it may be said that all respondent gather wage related information for earning and expensing.

Politics

Politics is the soul of a country. It is the vehicle that is enough to makes the society peaceful and conflicting. In order to save political threat, people try to link them with politics and thus they collect information about politics. The working poor who feel unsecured in home and working place need to know the political information. Most of the time, their security and insecurity are carried out by the political elites and supporters. It is hypothetically observed that security, access to resources and services, and employment are ensured by politics. Accordingly, people collect the political information—who is in the power and who is going to be chaired—for adjusting with politics. In the present study, about two third of the respondents never feel interest to gather this information while around one third of them accumulated it only. Those who collect political information are the members of the FCS, LFMS and TKU respectively because they are the active workers of politics. Few members of the ADLS, FLWS and VSS respectively gather this information for linking with politics and local political elites. None of the rest OIAs collects it.

All members of the FCS and LFMS respectively share information about political situation on regular basis due to their direct involvement in politics. The members of both OIAs take huge advantages by this information and through using political power. They make decisions, create plans and organize activities considering political information. A member of the surveyed association has mentioned, “I am an active worker of politics. I have already taken different opportunities by using political linkage. Therefore, I have to collect political information for taking some benefits” (AR 3). Again, political information is important for ensuring security in the society. “In order to save political harassment, I try to know the political situation of the country” (AR 1). Politics is the driving force of a country. It may increase tension and mental pressure among the people. People, hence, collect this information to make equilibrium between different part of politics. “I always live by making balance between government and opposition parties”, has added by a KII (AR 5).

It is conclude that most people feel no interest to collect information about politics although it provides different types of benefits. People accumulate this information for making political linkages, ensuring security, formulating equilibrium between political parties and getting access to the services and resources.

Occupational Benefits

All survey members are engaged in different occupation. They spent their time, labor and intellectuality in developing skill regarding occupation. The occupation is the only earning source to them. In order to make benefit from the occupation, they collect necessary information about occupation, like sources of work, price of selling goods, rickshaw fair, price of plant and trees, market price of products, like paddy, fish, vegetable, ice-cream and cloths. All participants accumulate this information while the some other participants collect additional information—services and

resources provided by the GO and NGO—regarding their occupation. The FCS, LFMS and WWS collect regularly that additional information while the other OIAS do not assemble it. Giving importance on additional information, a KII has viewed, “I need training, modern technology and necessary inputs for proper distribution of water and cultivation. I collect it regularly by discussing with others” (AR 2).

The LFMS gather occupational opportunities related information for two reasons. Firstly, the forest office and other government office provide various opportunities—training, plants, plot and loan— to maintenance the forest and increase the production of trees. Secondly, as the rich and politically influential people in the place of landless poor capture the government plot by corruption and power, the members of this association do not know how to cultivate plants. “We all never cultivate plants. As we capture these plot through forming the association. We need the information about training and process of plantation, tender and deed” (AR 3). The WWS is a female-based association. They have been trying to self-dependent by doing business for long time. Some of them are successful and contribute to family development and decisions. They are able to go out of home for doing work. One KII has opined “I as a woman accumulate occupational based information for developing my skill” (AR 7).

Sources of Loan

Loan plays a vital role in doing business and meeting the emergency. Close to all respondent have received loan—formal and informal—for improving their living standard or meeting the needs. Few respondents have taken the formal loan whilst greater portion of the other respondents have collected the informal loan with higher interest from local sources. Those who have received formal loan are the member of the FCS, LFMS, WWS and VSS respectively. These members have higher level of social capital by which

they bridges their connection with formal institutions. By using the bridging social capital, they get access to the formal loans. The some other members depend fully on the bonding social capital, so they collect loans from the local sources. Accordingly they reciprocally share the information regarding sources of loan.

Civic Facilities

GOs and NGOs provide different civic facilities for the people. These facilities are related to the basic needs of the people. While some people know the information about civic facilities, the some other people do not inform it at all. Around one fourth of them share the information of civic facilities whilst about three fourth of them do not collect it. Most cases, the members of the FCS and LFMS respectively know this information while around half members of the WWS and VSS respectively accumulate that information. These members stock the information about civic facilities because they want to get access in services and resources provided by the GOs and NGOs. Generally the poor try to know the information about relief, VGD, VGF and allowance given by the government through local government. They want to get it to meet the emergency, but most time they are deprived from it due to financial corruption and lacking of political linkage.

However, it is assumed that the respondents collect that information, which is useful to their daily life. They collect the information about the price of daily necessary goods, wage, sources of loans and occupational benefits. The difference is observed in case of collecting information about politics and civic facilities. Those members can bridge their social capital with others and involve in politics collect necessary information about politics and civic facilities for taking advantages.

Media of Information Collection

Media is essential for collecting information. If the media does not work for dissemination of necessary information, the method and style of sharing information might be useless or meaningless. There are many media working to provide information. The present study have analyzed the information collection mechanism through some important media that are the radio, television, daily news paper, mobile, association meeting and informal discussion with others.

Radio

Radio is an important media to disseminate the information. Around one fifth of the respondents hear the radio regularly and the rest of them never hear it. In case of hearing the radio regularly, the figure is found for the FLWS. Since radio can easily be carried due to its small size, the fishing labors keep always it with them when they work in the river and sea. As they have to collect the information about Weather to meet the emergency, they hear the news of radio regularly and collect the required information. The members of the other OIAS never feel interest to hear it because it can be not watched.

Television

Television is called another important electronic media that disseminate enough information. People chose television because it provides picture and words simultaneously. Close to all respondents (130 out of 177) collect the necessary information by watching it. All participants of the ADLS, FCS, LFMS and VSS respectively watch television regularly. The figure is observed above half for the members of the WWS (8 out of 12), TKU (10 out of 12) and CLS (9 out of 12) while the number is positioned around half for participants of the FLWS, PGPLS, HS and CCS respectively. The lowest figure found one fourth for the RPS. The variation in

watching television for collecting information is happened due to poverty, lack of television, having no interest about information. As the members of the RPS are unable to buy a television on account of their poverty, lower income and disadvantage, they do not watch it regularly. Some participants watch television often in the local shop or other people house, but they watch it for recreation in the place of collecting information. The members of the ADLS spent their evening time in the local shop regularly in accordance with the rules of their association. As the local shop provides it, they collect the necessary information by watching the television news. Accordingly, availably of and access to watch the TV is also important for collecting necessary information.

Daily Newspaper

There is a seminal impact of daily news paper—the print media— on information sharing. Whether the impact is positive or negative depend on the reliability and validity of the information disseminated by the daily news paper. Near half of the participants frequently read the daily news paper by which they collect the necessary information. The rest of the participants—around half— does not read it due to illiteracy, unavailability of it and lack of time. In case of reading daily news paper regularly, the variation is located from association to association. While the highest figure is found for the FCS, LFMS and VSS respectively, the lowest figure is found for the RPS. The numerical is also observed around half for the rest of the OIAs. The majority of the RPS's members are poor and illiterate. They spent their leisure time in gossiping or home work. Accordingly, they feel no interest to read the daily news paper. If someone, who know how to read, of them read it, the other classes' people criticize him. Thus they discourse to read it. Alternatively, as most of the members of the FCS, LFMS and VSS are rich, educated and politically influential and maintain higher status in the society, they have easily access to go through the news paper regularly.

Associational Meeting

Another important channel to disseminate information is the meeting of the association. The participants frequently exchange their information, knowledge, ideas and experience in the meeting. It is said earlier that they resolve their existing problems in the meeting by open discussion, so they use it as a source of necessary information. Close to all participants collect their necessary information through regular meeting of the association. Only one fourth of them have replied that they have failed to collect the information by it. It is observed that the participants who are inactive and do not participate in the meeting have reasonably failed to share necessary information through the meeting. Near to all participants—highest figure—of the ADLS, FCS, LFMS and VSS respectively collect their necessary information through association meeting whilst around one fourth members—lowest figure—of the RPS use it for sharing information. The figure is positioned around half for the other OIAs. The differences in sharing information are happened from association to association because of the stock of social capital, informative persons and existing environment of the associations.

Informal Discussion with Others

Discussion with others is another vital media of collecting information. As most of the participants spend their leisure time in gossiping or discussion with others, they might be used it to share the required information. The informal discussion is now become an important tool for surviving in the life. Two third of the participants collect their necessary information by informal discussion with others while one fourth of them do not use it. With regard to informal discussion for sharing information, the highest figure is found for the ADLS, FCS, LFMS and VSS respectively and the lowest figure is located for the RPS. Since the members of the ADLS, FCS, LFMS and VSS

respectively live or do business in the same area that helps to strengthen their stock of social capital, they get enough time to discuss informally with others. Therefore, the members of these OIAs have increased their stock of information through informally discussion with others.

The necessary information is collected by watching the television, meeting of the association and discussing with others. Association is located as the most influential media or source of the information. The radio and newspaper are not used by the respondents for stocking information. Since, it may be said that the respondents might be increased their stock of information by the association.

Information Collection Mechanism: Copying versus Pooling

The mechanisms by which information is shared and collected are essential for making the information reliable and valid. If the information is stocked by imperfect mechanism, it would be useless, ineffective and unreliable. This type of information it does not work for making decisions and organizing actions properly. Since appropriate, reliable and timely information facilitate decisions and actions, it helps to accumulate different forms of capital. Alternatively, some information may be the causes of capital deformation. This is the fact that effectiveness of information relies on the information sharing mechanisms. There are many mechanisms of it, but the two important mechanisms are copying and pooling (Collier 2002: 26). Both mechanisms are important for sharing information. Whether the mechanism is copying or pooling or the both, language plays a direct, important and influential role for collecting necessary information. It is the core element of the mechanism used in sharing information. If the people share a common language, they can easily interact with others and increase their stock of necessary information. This study agrees the presumption of the existing study since all respondents use a common language—

Bangla, the mother tongue—for conversation and information collection. With the help of common language, the respondents collect necessary information through copying or polling.

Copying

Copying is the mechanism collecting information through observation and one-way interaction. It occurs in a hierarchy of informative agents in which agents lower down copy those higher up and thereby improve their decisions. While one agent watches another agent for copying, the copiers need to ensure that those whom they copy face similar condition like them. It is the fact that the cost of copying is the cost of observation. The information collected by faulty observation would be harmful for the copiers. Copying is easy in a homogeneous association where one agent has knowledge advantage. In this case, it is expected that rural people are better for copying than pooling information (Collier 2002: 26).

Copying mechanism has significant impact on information collection. Many empirical studies examine the copying mechanism. The Indonesian agricultural farmers observe other farmer's knowledge and techniques and then they copy it for cultivating land and increasing production (Basely and Case 1993). In a seminal work, Jones (1997) finds out the effective impact of copying mechanism on the Ethipian households' decisions to send their children in primary education. Regarding Tanzanian agricultural practices, it is found that most of the farmers usually copy the other farmers to use modern seed, fertilizer and chemical. They feel interest to copy while they see the other farmers achieve better production (Narayan and Pritchett 1997:33). Accordingly, it is clear that copying is practiced in the homogeneous association where one member has the knowledge advantage.

The similar result is observed in this study. Around two third of the respondents are copiers whilst one third of them are pooler. Copying is highly practiced in all surveyed OIAs. “A member of us is experienced and knowledgeable. When we fall in crisis, we take his help” (AR 4). Another KII has told, “Once I could not improve the business due to lacking of social network with the customers. I observed and followed my neighbor’s the techniques, and improved my business. I am continuing this mechanism to date” (AR 9). The participants of FGD have added, “We fail to exchange information due to lacking of information. In need, we observe them who are informative, experienced and knowledgeable. Copying is easy for us because it takes no cost of exchange” (FGD 12). As the surveyed OIAs are consisted of similar people, these are homogeneous associations. Most of the members of these associations are less informative, experienced and knowledgeable. Thus, they copy the other informative members. The respondents, at one hand, collect necessary information from the informative persons by copying, but they at other hand share it with the similar persons or members through pooling.

Pooling

Pooling is the mechanism of information sharing by which information is used by different agents for different purposes. While different agents have different packets of knowledge, pooling enables all agents to develop their decision making by exchanging information. Pooling is not occurred by the one-way interaction, it is taken place through network of relations of informative people. It requires reciprocal social interaction, which involves meeting and good communications technology, such as cell phone. By exchanging different kinds of information, it provides different forms of benefits to the agents. In this case, knowledge pooling is most beneficial when knowledge differs across the agents (Collier 2002: 2). The success of this

mechanism depends on a diverse network and on the second and third hand information from the additional levels of network (Burt 2000: 258). Since communication plays an important for pooling mechanism, the costs of pooling are the cost of communication. The poor are supposed to be unable to use pooling mechanism due to poverty and lacking of information. It is also inferred that the poor exchange their ideas, knowledge and experience with those who are alike them.

The empirical studies that accounts pooling mechanism argue that it is beneficial for both actor who involve in exchanging information. It is a positive-sum game for the participants. Examining the effect of information sharing among the customers, suppliers, producers, alliances, employees and financing sources, it is inferred that the both producers and customers receive benefits from it, accordingly pooling is correlated with enterprise's performance (Burt 2000: 4-30). It is highly practiced in agriculture sector for sharing necessary information, ideas and experiences over the world, and thus the farmers can use appropriate, reliable and timely information for the purpose of better production (Grootaert 1998: 32; Reid and Salman 2002: 85-102; Narayan and Pritchett 1997:31). Accordingly, pooling mechanism is significantly related with information collection and poverty.

Around one third of the respondents of this study share necessary information through pooling while above two-third of them don't use it. It is observed that one or two members of each association share information with others—outsiders of the association—by pooling, and this information is again copied by others in the association. The highest figure in practicing pooling information within association is found for the FCS, LFMS and VSS respectively. These three associations are formed by those people who have different information and backgrounds, such as income, education and social position. Accordingly, the members of these associations get

enough access to the services and resources by pooling information with others. A KII has pointed out, “As we have different background and information including different ideas, experiences and knowledge, we can exchange the necessary information easily meeting the needs” (AR 3). Another KII have informed, “We collect required information by giving and taking since we have different experiences” (AR 9). “Two third members of us are informative and educated. We have the chances to exchange information due to producing social capital. So, we use pooling mechanism” has been added by a representative of the association (AR 2). The participants of FGD has noted,

> “A member has meaningless information, but it may be specific to the other members. We have different information, experiences and knowledge that may be helpful for the wellbeing of other members. While one member gains important information, he exchanges it either in meeting or gossiping. Information is a resource to us” (FGD 3).

It is, now a days, considered that an informative person is rich than non-informative person. People consume their important time, money and labor for collecting information by poling for meeting the needs. Though the major portion of the respondent of this study is unable to use pooling mechanism, this mechanism provides ample benefits to those who use it. It may be assumed that pooling mechanism is a tool of information sharing and significantly affects the wellbeing of the respondents.

From the above analysis, it may be concluded that the both methods—copying and pooling—are essential for and related with sharing information and wellbeing of the people. Copying is the better option for the poor to collect necessary information. It is also assumed that pooling is applied by those agents who are at the center for the copiers.

To summarize this section, it may be said that a significant level of information can be increase by participating in the association, attending in the meeting and involving in the gossiping with the members. Most respondents dislike to collect additional information; rather they like to share that information which is

important for their daily life. They collect the information about the price of daily necessary goods, wage, sources of loan and occupational opportunities. Those who are rich, educated and politically connected store the additional information, such as politics, civic facilities and modern technology. Information is collected from in and outside the association. In order to accumulate necessary information, the respondents use television, meeting of the association and informal discussion with outsiders. Associational meeting is the most influential source of information is found in this study. Both copying and pooling mechanisms are used for information collection, but copying is the suitable and reliable mechanism for the poor and working people. In case of homogeneous people, copying is significantly related with information sharing. There is a general consensus with the presumption than appropriate information and its sharing mechanisms—both copying and pooling—are significantly related with empowerment. But it is neither known how the poor collect what information nor discover whether this collected information produces any outcomes for the participants. The present study has given the answers of these questions. Copying mechanism is better than pooling mechanism for the poor to collect that information which is related the daily needs. Watching television, participating in associational meeting and discussing with others—gossiping—are used as the technologies of information sharing. The collected information, however, is correlated with the capability and access to the services and resources and thus with the wellbeing of the people.

INCLUSION FOR EMPOWERMENT

Inclusion is an important part of empowerment. It is also linked with the other part of empowerment—sharing information, making accountability and collective decision. When the people are excluded from the opportunity to interact with other and from

the resources and services, they fail to build and re-build social capital—social relations, trust and norms of reciprocity—that encourage people to make collective voice, decisions and actions. As inclusion keeps the people together through raising collective voice, decision and actions and by sharing equal benefit, it may help to change the existing norms and culture that facilitates exclusion and inequality, remove constraints in accessing to the resources and services, rebuild choice and enforce accountability. Two types of inclusion—in and outside the association—are needed for empowering the people. While inclusion in the association includes the characteristics of the actors, inclusion outside the association incorporates to bridge the link with different services provided by the other institutions..

Inclusion in the association means the absence of underlying conflicts—for example, conflict arisen by difference in income, wealth, education qualification, political connection *etc* between the people—and the presence of strong social bond in the association. Inclusion outside the association refers to bridge the networks with other institutions, which provide service and resources. This form of inclusion, at one end, mitigates the conflicts existed between people (Colletta and Cullen 2000: 16), it helps to produce outstanding performance and formulate appropriate decisions at another end (Grootaert and Bastelaer 2002:89). Both forms of inclusion are analyzed below.

Inclusion within Association: Bonding Inclusion

Inclusion within association that facilitates the interaction between different attributes of the members is an essential tool of empowerment. It also forms and reforms social capital of the people and association. It, in one hand, provides ample opportunities to the people to make social relationship, trustworthiness environment and reciprocal norms with others, it in other hand, assists to share information, reduce opportunistic behavior and facilitate collective decision. As the participants interact regularly by

inclusion, they can get access to the services and resources provided by the association. The level of inclusion within association depends on the differences of internal characteristics of the association.

The higher level of internal diversity may have positive or negative impact upon empowerment and social capital. Internally homogeneous association, on the one hand, would make easier for its members to trust each other, to share information and to reach the appropriate decisions (Rogers 1995: 123; Isham 1998: 98), it may , on the other hand, provides also similar information to the members so that less would be gained from exchanging information (Grootaert and Bastelaer 2002: 48). The homogeneous association which includes different criteria may be better example for sharing information, organizing collective decision, making group cohesion and gaining benefit through accessing to the resources, services and benefit. Members of different background may learn more from each other because they have different knowledge (Narayan and Prichett 1997:33; Grootaert 1998:17).

There are some other arguments focusing on vertical associations which provide diversified information, ideas, knowledge, experiences and benefits. These associations reduce opportunistic behavior, increase associational performance and enhance financial, human and social benefit by reinforcing social capital—social networks, trust and norms. The vertical associations help to share more interests and benefits from each other (Blanchard and Horan 2000: 164), to promote institutional performance through gathering diversified information and controlling over the meaning of information (Burt 2000:18-20) and to increase human capital (Coleman 2000: 27-31). The vertical association provides sufficient opportunities make bridging or linking networks. The bridging networks provide more access for the people to the diverse perspective, resource and skill than the bonding networks (Woolcock and Narayan 2000: 23).

In this case, inclusion within association is explored by assessing nine issues—income, educational qualification, household resources, age, gender, social position, membership duration, religious political belief and political connection—of the association. Which form of inclusion is best one between internally homogeneity and heterogeneity to share equal benefit is also examined.

Income

Income is as an indispensable tool for influencing others. The poor are always excluded to interact with the rich because the poor are supposed to be unable to contribute money for interaction. The interaction between the poor and the rich give the opportunity for the participators to enrich their income. In this point, the better source of these types of interaction is the association in which different income earners take part in the interaction. This is hierarchical interaction. There are two presumptions about this hierarchical interaction. Whilst the first is that the lower part of the hierarchy may take benefits from the upper parts of the hierarchy, the second is that upper part can exclude the lower one. The first assumption depends on the use of social capital is observed in different association. The second conjecture relies upon the exclusion and is practiced highly the patron-client relationship of Bangladesh peasant community. Around one-sixth of the respondents interact with the rich people where near about all respondents interact with those who have similar income. The members of FCS and LFMS respectively are diverse income earners. Accordingly they have the opportunity to take part with the rich in different activities. The members of the other OIAs are poor, disadvantageous and vulnerable, and live upon their daily income. Therefore, they interact with the same people.

There are some problems created by inclusion and exclusion with diverse income earners. In case of inclusion, the problems of free-riding, opportunistic behavior and selfishness are arisen within the FCS and LFMS respectively. While

these problems arise, the members resolve it by collective decisions and social capital. A member of the association has replied, “The higher income earners try to take benefits without contribution, but we all protect it by raising collective voice” (AR 3). Regarding exclusion from interaction with different income earners, there is no problem arisen within the association. According to a KII, “Nobody deprives us because we have similar income” (AR 10). As most of the OIAs are homogeneous in case of income, deprivation from the interaction with the diverse income earners is significant and negatively associated with empowerment with the members.

Educational Qualification

Education plays a vital role for sharing information and making unity. While people involve in a heterogeneous educated people, they may get the access in different opportunities. On the other hand, interacting with homogeneous people in term of education may be better for making group harmony and collective action. Close to all respondents have about to same educational qualification. Most of them have the education below grade V. The highest figure for the diversity of education is located for the member of FCS and LFMS respectively whilst the lowest figure of that is observed for the other OIAs. The members of both the FCS and LFMS respectively have higher level of educational diversity; the range of this educational variation is existed from primary to masters. This educational difference does not create for the members of the associations; rather it facilitates the actions of the members to take access to the services and resources. A KII has added, “An educated person is informative and resourceful. Some members of us are highly educated. I collect information and take advice and help from them in meeting emergency” (AR 2).

Household Resource

Household resource is related with poverty. While people include in the networking of those who are different in case of household resources, they get the chances to exchanges information and goods in the time of needs. If the people exclude from it, they have to loss the opportunity of making relation with affluent persons, and thus loss to take mutual support. Alternatively, interaction between homogeneous people regarding household resources may be important in exchanging financial help because both parties share the same emotion about the crisis. There is a little difference regarding household resources found in this study. Most of the respondent are poor and have fewer household resources. In case of household resources, the highest figure is found for the FCS and LFMS respectively whose members have different household resources. This difference is occurred due to the difference of income. As the members of these two associations, as said earlier, are different income earners, they have different household resources. Due to sharing equal benefit, cooperative behavior and trustworthiness environment among the members, this inclusion or exclusion does not necessarily create any problems in the association. A member of the association has said, “Income difference is existed among us, but it never creates problems because everybody trusts each other” (AR 3). Another KII has opined “We establish the norm by which a member can be excluded if he creates problems in the association” (AR 7). “Income is not a factor for group unity; rather the factor is equally distributing benefits” has been added by a leader of the association (AR 7). It may be concluded from the above discussion that inclusion in the homogeneous household resources is better for social interaction and inclusion in the heterogeneous household resources provides more benefit to the participants. Although both types of inclusion are important for empowerment, inclusion with heterogeneous household resources is the better option for the participants to accumulate capital.

Age

Age is an important tool for stocking knowledge and experiences. There is a presumption that aged people are more informative and experience than a young people. The interaction among different people with different age produces different outcomes. There is significant difference among the respondents' age. The age of the respondents is not the same. This age variation, at one end, provides required information and knowledge by sharing ideas and experiences; it at other end creates some problems for the members. These problems are trying to influence the benefit, free riding and opportunistic behavior, but the members always resolve these difficulties collectively. As Age diversification is existed in the all OIAs, all respondents include in the interaction with those who are different in term of age. This diversification varies from the association to association. Both the FCS and LFMS has shown the highest age diversification, which ranges from around thirty to above sixty. The range of this variation for the other associations is from above ten to near fifty. No association has age limitation for taking membership. Accordingly, there is an opportunity to interact with the people of different ages in all associations. As the rule of the FCS members has included from the agricultural farmer who has the cultivatable land surrounding by the deep tube-well area, members from different ages has taken its membership. As said earlier the LFMS use higher level of social capital—social relationship, trust and reciprocal norms—negatively to capture the vested land illegally for plantation. The association includes the people of different ages for showing it as a vertical organization to the government officials. As a result, the age diversification is very high in the LFMS. All OIAs maintain regular social interaction and communication with its members to make group unity, trustworthiness environment and reciprocity, and thus they make collective decisions for collective work and sharing benefit.

Gender

Inclusion of both the male and female in all activities is the key variable of development. Female are the half of total population. It is hard to develop a community fully without the involvement of female population. They can contribute appropriate decision, effort and work in any kind of development. Accordingly, it is necessary to give necessary access of both the male and female persons to the services and resources for poverty reduction. The success of sustainable development is hardly found without the involvement of women. This study has observed that eight associations—ADLS, FCS, LFMS, FLWS, TKU, VSS, CCS and RPA—are consisted by male members only while three associations— PGPLS, HS and CLS— are formed by the mixture of both the male and female member though the proportion of female member is low. Only one OIA—the WWS—is created by female members. Among the OIAs, The WWS is an association of women society, which is constituted for the development, empowerment and establishing rights of the women. According to a KII, "We have no access to work with the male member, so we—all members are female—keep us together for implementing our rights in all spheres" (AR 7). Accordingly there is no member from the male community in this association. As the female works with male workers, the some other associations include them as members of the association, *i.e.* PGPLS, CLS and HS. In spite of having membership in the association, most of the female respondents do not participate in associational meetings and activities; rather they like to expend their time in household work. The other KII has cited, "Female members are the burden. Do not want to attend the meeting, but want equal benefit" (AR 8). To conclude, OIAs are homogeneous considering the indicator of gender, and this similarity facilitates also the collective action and empowerment of the participants.

Social Status

The society is generally hierarchical. Some people live at the top of hierarchy whilst the some other people subsist at the bellow of it. This heretical attribute of the society makes dissimilarity regarding social status among the people. It is presumed that the rich, powerful and educated person belong higher position in the society. The interaction between upper and lower class in term of social status may have positive or negative impact on associational or societal development. It, at the one hand, may help to share perfect information, make collective decision and organize collective work for mutual benefit, it may, at the other hand, use to exploit others. The same social position—lower level— is found for the members of the ADLS,TKU,PGPLS, CLS, HS and RPS respectively. While the diversity of social status is found very high for the FCS and LFMS respectively, it is found very low for the FLWS, WWS and VSS respectively. In the associations, the diversity of social status makes sometime various difficulties for the members. These are influencing others by using power, asking leadership and opportunistic attitude. It is observed that the members of the OIAs can always resolve these problems through collective effort which is reinforced by regular interaction, trustworthiness environment and group norms among the members.

Membership Duration

Another indicator of inclusion in the association is the duration of membership that facilitates the interaction and action of the members. As formation of social capital depends on the membership, the long term-base member can build higher social capital and can be empowered through participating in association. Member in association is based on formal relationship, but social capital may be developed by informal relationship based on networking. The higher the membership duration is the higher amount of social capital and lower amount of poverty. There is another

argument that long term-based member mat try to influence, control over and free ride the others. In this case membership taken in the same time, the homogeneous membership may contribute to capital formation. There is a question arisen about which option is best between homogeneity and heterogeneity of membership duration. Among the twelve OIAS, homogeneity of taking membership is found for the ADLS, LFMS, TKU, PGPLS, VSS, HS and RPS respectively while the heterogeneity of it is located for the FCS, FLWS, WWS, CLS and CCS respectively. The earlier seven OIAs have no option to take member after formation of the association, but the later five associations have the opportunity to include additional member in the place of a defaulter. The difference in taking membership in the OIAs does not make any difficulties in the association because they give no importance on this issue.

Religious Belief

Religious belief has influential impact on making social cohesion as well as social capital in the society. It brings the people together for collective action. It, in one sense, includes some people for mutual benefit, but it, another sense, excludes others from the benefits. Whilst the same religious believers work together for mutual benefit, they eliminate the other religious believers from that benefit. Two types of religious believers have been located in the surveyed OIAs. These are Muslim and Hindu. Among them, Close to all are Muslim whilst a few are Hindu. This difference in accounting religious believers is observed in the five associations only. These are the FLWS, PGPLS, WWS, VSS and CCS respectively. In case of the other association, all members are Muslim. It is observed that some Muslim members try to exploit the Hindu members, but this problem never create any obstacle for group unity duty making collective decision and collective action. “No problem is created by the deference in religious believe” (AR 4). Some Muslim members try sometimes, not all

times to exploit and influence the Hindu member" (AR 9). It is also observed that when this problem is arisen, all members come together in a meeting and take collective decision to meet it.

Political Connection

Politics has important role on development and poverty alleviation. All development effort has been designed and implemented by the representatives of politics. As politics determine all programs and actions, people's access to the resources and services depends on the political connection. The presumption is that those who have political connection get enough access to the services, resources, and opportunities. People's connection with political parties has both the positive and negative impact on household welfare. The positive impact is that it ensures security, give access to the services and opportunities, and bridges networks with political leaders and thus people can take different advantageous by using it. It may increase political conflict, grouping and tension in the society is the negative impact. Thus, it can destroy the social harmony and control of the society or associations. Some people may exclude from the different benefits due to lacking of political connection. Accordingly, the negative impact may spill negatively over the whole association and society.

Political discussion is strongly prohibited in most of all OIAs because these associations are formed politically free. But, the members of the FCS, LFMS and TKU respectively maintain political connection in practice. The members of LFMS are the supporters—some are leaders— of same political party because they capture the government forest plot illegally by using political power. As their political party, objective for future benefit and perception to control over others is same, their group unity and level of social capital—social relations, trust and norms of reciprocity— is better than other associations. It may be said that this association use social capital

negatively for making benefit. The TKU is consisted of different political supporter and active workers. The political leaders from the outside always influence their supporters. Due to the bad effect of this political link, trustworthy environment, norms of reciprocity and group harmony of this association is very low for existing political conflict among the members. A little difference in term of political connection is shown in the ADLS, FCS, PGPLS, VSS and CCS respectively whilst no member of the CLS, RPS, FLWS, WWS and HS respectively maintain the political connection. Since they live with hand to mouth, they have no interest with politics due to lack of time, money and influential relatives.

To conclude, it may be said that there are two options for getting access to the interaction within an association. Firstly, interaction may be occurred with those who have same backgrounds, and secondly it may be arisen with those who have different backgrounds in terms of income, educational qualification, household assets, gender, social position, membership duration, religious belief and political connection. Both options are observed in the present study. It may also be summarized that the first option is associated with the participation in association whilst the second option affect the access to the services and resources. While the first option is practiced by nine associations, the second option is used by the two associations only. These two associations are the FCS and LFMS respectively who have higher stock of and capability to use social capital. All issues of inclusion within the association, however, is significantly related with the development of capability and resources, and with empowerment, but interaction with the same characteristics is the better option for participation in association. It is conclude that the inclusion of different entities is useful only if the particular unit shows similarities with respect to specific aspects.

Inclusion in Different Services: Bridging Inclusion

The access to the services and resources is important for the poor to meet the risk and improve the living condition. It needs to bridge the network with different people and institutions. People can take benefits from the services through getting access to it. It helps to get ahead. It includes the flows of information that can be used to improve economic circumstance. The existing study makes the nexus between empowerment and poverty with the presumption that inclusion in different services exerts positive effect on capability and economic performance. Inclusion in services—bridging social capital—brings together both the service takers and service providers—significantly (Putnam 2000: 23).

While the people are excluded from the services, it refers to the lack of bridging social capital. This means that those who are deprived have no access to the services and resources. If the people get access to the services o the government and non-government institutions, they can easily improve their living condition (Islam and Kahkonen 2002). In an analysis of macro level development, it is found that both bridging social capital and quality of economic development influence each other positively and mutually (Sabatini 2005: 23). It increases not only the physical capital but also the human (Coleman 2000: 27). But it is hardy known whether the poor take benefits from the services or whether the poor are excluded from the services. For giving the answer of this question, this section has explored the inclusion in services on the basis of education, health care, housing loan, government aid, professional training, formal credit and sanitation

Educational Services

Better access to education often works as the key for the next generation's ability to escape from poverty. A higher involvement of the students, community and parents in the schools can improve the quality of education and reduce dropout rates. Education

is considered as the backbone of a nation and as key of household's wellbeing. There are many services have been taken to ensure primary education free and compulsory for all as the constitutional obligation of Bangladesh. In case of intermediate and tertiary level education, the government of this country has been providing different opportunities for many years. Drop out from the education is occurred due to lacking of access to this service. Near about two-third of the respondents claim that they or their family's members have excluded from educational opportunities different times whilst about one third of them have never excluded.

Regarding exclusion from educational services, the highest figure is observed for the VSS and HS respectively whilst the lowest stature is located for the FCS and LFMS respectively. The other OIAs represent the position of neither the high nor the low. As some members of the FCS and LFMS respectively are rich, educated and politically powerful, they help the other members to get access to these services. So, none of these two associations has deprived from educational services at all. A KII has mentioned, "We get the access to the school services by taking help of other members who are rich, education, and socially and politically powerful" (AR 2). The members of the VSS and HS respectively are homogeneous in all cases and live below the poverty line. They or their family's member have excluded from these services many times. According to a member of the HS, "I have deprived from this service due to poverty and lacking of information", (AR 10).

According to the participants, the causes of exclusion from educational services are lacking of proper and timely information, poverty, powerlessness and inability to make collective voice. But the respondents give their preferences to the lacking of information and political connection as the core causes of exclusion from educational services. Since the members of the FCS and TKU respectively are

politically connected and informative, they get the access to these opportunities. Besides, those who have enough information, money, power and political connection are able to take the benefits of these services. Close to all who have deprived from the school facilities said that it causes different types of problems. Fail to calculation, better job, low income, illiterate, dropout from school, mentally dissatisfaction, exploited from wage and benefits, fail to communicate with others, loss land by cheat.

Health Service

Good health is the key to all success. It is considered as the important capital of the people, especially the working poor. As the poor, uneducated and unskilled people are likely to involve in physical work, it is the only asset for them. Physical weakness, on one hand, reduces returns by disvaluing this asset, it, on other hand, cause pain and mental distress. Physical illness further impoverishes a family due to pay the cost for treatment. If the people are deprived from this service, they have to face different difficulties that push again them under the poverty.

This study has found that deprivation rate from health care service is very high. Near all respondents have excluded from this services—both the government and private—different times. Deprivation rate from health care service varies from association to association. Excluding three associations—FCS, LFMS and TKU, the figure is discovered ‘all members’ for the nine associations. In case of the FCS, LFMS and TKU, the numeral is located ‘near about half of the respondents’. Since some members of the FCS and LFMS are informative, rich, educated and politically powerful, they have well networks with the health service providers. Their stock of social capital is better than other OIAs. Accordingly, they can share appropriate and timely information related to health care service and get access to it by the help of other members who have the link with health care service providers. In case of the

TKU, most of the members live beside a Upazilla Health Complex (UHC). They know better about the information of this services provided by the UHC. As the members of this association are well connected with politics and have information, they can take necessary health service easily from the UHC.

The causes of deprivation from health care service are lacking of information, corruption, physician's private practice, poverty, powerlessness, and lacking of political linkage and influential relatives. "I have deprived from the health care service due to lacking of information and poverty" (AR 1). When they talk about the access to formal health services, issue of corruption and cost repeatedly arise. For poor families who are already vulnerable, the cost of a sudden illness can be devastating, both because of loss of income and because of cost of treatment. Other KII has stated, "I have excluded from this service because of corruption and high cost" (AR 3). While actual treatment itself can be prohibitively expensive, there are, in many cases, other hidden costs that add to the overall financial burden of health care. Cost and corruption are significant barriers to health care access. Due to this exclusion from health care service, the respondents face many problems. These are physical illness, reducing working energy, financial loss for treatment and mental disorder.

Housing Loan

Housing is a fundamental right of the people. A good house is necessary for security, well-health and mentally satisfaction. The government of this country provides housing loan or facilities to the people. Very close to all respondents never receive any housing loan or facility from the formal or informal organization. Only three members of LFMS have taken these facilities different times. According to the respondent, the causes of their deprivation from this service are corruption, lack of information, lack of education, lack of political connection, and poverty. A member of

the association has pointed out, “I never receive this loan because I know nothing about this” (AR 11). “I know that the loan has been given, but I never try to get it due its complex procedure” (AR 3). The important causes of derivation from housing loan are lacking of information, complex procedures, financial and political corruption, and lacking of influential relatives.

Close to all respondents think that deprivation from housing loan creates different problems whilst one fourth of them reply that it creates no problem. According to the participants, these problems are lacking of suitable home, expending high cost for building house, mentally unhappiness and losing household assets.

Government Aid

There are many aid provided by the government. These are test relief (TR), vulnerable group development (VGD), vulnerable group feeding (VGF) and different allowances. These aids help the poor, disadvantageous and vulnerable people drastically to meet the risk and reduce poverty. Above two third of the respondents have deprived from government aid different times. Close to all members of LFMS and FCS respectively never exclude from this services while all members of the CLS, VSS, HS, CCS and RPS respectively have deprived different times. Close to all members of the ADLS, FLWS, PGPLS and WWS respectively have deprived. Most of the cases deprivation from government aid occurs due to the lack of political connection, communication with local government and relation with influential person and failure to give additional money.

Among those who have deprived from government aid, close to all remain that it cause many problems for them. In this case the highest figure is found for the FLWS, CLS, VSS, HS, CCS and RPS respectively and the lowest figure is discovered for the ADLS. The problems are taking loan from money lenders with higher interest, failing to meet emergency, taking less meal, losing household assets and increasing poverty.

Professional Training

Professional training is important for development of knowledge and skill of any profession. Around one sixth of total respondents have got the formal professional training. The access to the formal professional training is available for the FCS, LFMS and WWS respectively. The trained up members are found only four for FCS and all for both the LFMS and WWS. As maintenance of a deep tube-well and techniques of cultivation land properly is technical issue, four members selected collectively of the FCS have the opportunity to take professional training. In case of LFMS, each member has individual plot for tree plantation. Though they gain individual benefit from this plot, they work collectively for forest management and control over the plot. Every member of this association has taken formal professional training on tree plantation and forest management from the forest office. Most of the members of the WWS involve in income earning job—sewing, handicraft, making ice-cream and poultry. They need technical training for their business. The women have taken formal professional training from different government office and NGOs.

The other OIAs, except these three associations, never get any formal training, but they learn the idea and skill about their profession informally—learning by doing. They think that formal training is not essential to them for their profession. Though they further know that formal training regarding their profession are provided by the government or non-government agencies, they have no access to these training due to lack of information, communication and money. Since their felling about this training is unnecessary, they even discourage to take this training. They work continuously without facing any difficulties. When they face any problem, they resolve it by discussing with other skilled and experienced members.

Governmental Credit

Credit is an essential vehicle for the poor to meet the emergency and reduce poverty. While the people face emergency or family disposition, they need financial support from the additional sources. In this situation, they collect credit from the formal or non-formal institutions. People generally choose the formal institutional credit first. Respondents who do borrow do so on the informal institution (Fafchamps and Minten 2002: 130). One reason why respondents might value the social capital is that it increases access to informal credit. Informal credit does not substitute for the lack of formal credit. Poor people usually lend credit from four sources—government, local money lender, trade credit and group-based microfinance program. The credit delivery systems also rely heavily on vertical and hierarchical relationship between lenders and borrowers. The access to the government credit of the poor is extremely limited. The vast majority of respondents report that they are deprived from the formal credit. A mere portion of the respondents have ever asked for credit from a formal institution. The major reasons of no applying for credit are lack of information, lack of understanding credit procedures or availability, high interest rates, complicated application procedures and lack of collateral. The treat of such situations is ever present in their lives. When they fall in such difficulties, they need credit from formal or informal organization. Social capital—social ties trust and norms—facilitate the poor's access to credit and lower it cost. Accordingly the relationship between social capital and performance of credit delivery may be significant.

In the present study, around half of the respondent have deprived from credit many times while the other half of them have not deprived. The rate of accessing credit delivery is found highest for the FCS, LFMS, FLWS, WWS and CLS respectively while the figure is recovered lowest for the ADLS, TKU, PGPLS and

CCS respectively. The medium figure is located for the VSS, HS and RPS respectively. Among the OIAs, the members of the FCS, LFMS and WWS respectively have the access to the formal credit. These three OIAs are internally diversified and hierarchical in different character. Their regular meeting and interaction strengthen their social capital by which they can easily link with the credit providers by the help of powerful members. In contrast to these associations, the other associations are very much homogeneous. They, at the one hand, have no influential member who can share information and make link with the credit providers, the formal credit system, at the other hand, needs grantee or mortgage for credit. For these reasons, they do not rely on formal credit. So, most of them have deprived from the formal credit.

Most of them take credit from local money lenders or trade credit. In some cases, local shopkeepers provide credit for food on a limited basis when the family is well known to them. Family members, friends and neighbors often loan money each other to meet the emergency. But it is observed that some members of the ADLS, TKU, PGPLS, CCS, VSS, HS and RPS respectively have deprived from this informal credit. Many participants report that they have no access to the formal credit programs—banks, saving and credit schemes— because of lacking of information, unrealistic collateral requirements, excessive interests and corruption among lending officials. They further add that they have deprived from the informal credit delivery due to lacking of relationship, trustworthiness environment and poverty. As a result of deprivation from credit delivery, most of them face different difficulties. These are failing to meet emergency, arrange daughter marriage and continue the business, living with less meal, losing household assets—land, cow, goat—and falling in vicious cycle of further borrowing at higher rates from local money lenders.

Sanitation Facilities

Sanitation is essential for keeping good health, maintaining privacy and mental satisfaction. It is also a basic need for the people, but the poor people have not the ability to build a suitable latrine because of their poverty. The government and non-government office provide sanitation facilities to the people. Whilst some people have enough access to these facilities, some other people have not due to many reasons. Near about all respondents report that they never get access to these facilities. Many of them do not know about the existence of these facilities. All members of LFMS have got these opportunities. None of the other OIAs ever receive these opportunities due to lacking of information, political connection and communication, corruption, powerlessness and poverty. Among those who have deprived from sanitation facilities, one fourth believes that it does not make any problem for them. These participants have used their money to build sanitation. The majority of them reply that they feel illness and mentally unhappiness for using unhealthy latrine and cut of money from daily food for making a latrine.

To conclude, the small occupation-based poor always deprive from the services in terms of education, health care, housing, government aid, professional training, credit and sanitation due to lacking of bridging social capital, information and influential relatives, and poverty.

ACCOUNTABILITY

Accountability is an important tool of empowerment and for building social capital. It refers to the ability to make the public officials, private employers or service providers answerable to the people for their policies, actions and using of funds (Narayan 2002:42). Access to information is a prerequisite for accountability that disseminates all types of information through which the people know the condition of

the program and action. There are three types of accountability mechanisms, which are leadership, financial and decision. Leadership accountability is increasingly through the process of selection whilst financial accountability is through disseminating information about the fund. Accountability of the decision is reinforced by the collective involvement in decision making process. These three mechanisms are also three important indicators of accountability that can empower the poor also.

Poor people have generally not direct access to the officials through which they can get access to the resources and services. They have the options to use private services as alternatives. If the decision makers may be accountable at every stage of making decisions, planning, budgeting, implementing activities and using fund, the poor might be get necessary access to the undertaking activities. There is a presumption that the service providers may be accountable if there is collective action and collective voice. Poor people can make the official accountable by regular monitoring, sharing information and pressure regarding their urgent demands. When poor people act collectively for mutual benefit, the control and power will also shift to them, and they can thus hold the providers accountable. The quality of leader, decision making process and fund play the important role for the development of association. Accordingly, accountability is explained by categorizing it into three indicators: leadership, decision and finance.

Leadership Accountability

The formation of social capital and development of an association depend upon the quality of leadership. It is the leader who is responsible for making decisions, planning activities and implementing actions. Leader is a person possessing a certain list of qualities which made her/him leader in every stage and the association. If the leader fail to understand the purpose and situation of the association, (s) he may loss

the supporters. Social capital is a mean to make the leader accountable from selection to performance. While the members select or boycott the leader collectively, the leader is bound to hear their voice. The leader may not disseminate all information before members if (s) he is chosen by selected members. The leader may be selected by either all members—in other words, collective decision— or selected members although there are many techniques of leadership selection. So, the question arise which mechanism is the best option for selecting a leader. Again, when a leader performs considering the collective voice, the leader bounds to express her/his quality answerable. Whether the quality of a leader is accountable is fully related with the satisfaction level of the members. This satisfaction depends on the performance of the leader. While the satisfaction level is good, it refers that the leader is also qualified and accountable. Next question arise that how much people are satisfied about the quality of leader. This study has given the answer of these two questions by inquiring the selection process and quality of the leader.

Selection of Leader

The quality of leader depends on the selection process of the leader. If the leader is selected through the decisions made by all, the leader values the public opinion and tries to make her/him accountable. If the leader holds the chair by exercising power, influential members and outsiders, her/ his accountability goes under trial. While the selection process shows accountability, the leader's performance illustrates answerability. In this study, the leaders are selected collectively, in many cases by open vote. Though the respondents provide this information, it is found by in-depth observation that the influential, rich and wealthy member have been on the chair for many days in the FCS, LFMS and FLWS respectively. It is the fact that people follow those who live at the top of the hierarchy in term of income, power and wealth. Some

members in these three associations are rich, wealthy, and politically and socially powerful. As a result, while they want the chair, nobody can refuse it. A leader of the association has echoed, “We all are the follower of a rich and powerful member who is called our *Bara Bhai* (elder brother). Hence, we can never deny them while they ask the leadership” (AR 2). Another KII has replied, “We select the leader from rich persons collectively because he can expend money for accelerating the association” (AR 9). “Everybody has a chance to be a leader it he is chosen by all” (AR 8). In case of the LFMS, members select the political person as a leader because they want to use him for keeping plot in favor of them.

Quality of Leader

Qualified leader is effective for the wellbeing of the people. Both quality and accountability are interrelated with each other. Quality facilitates the accountability and vice versa. Overall the leadership in all OIAs is significantly effective. Regarding the effectiveness of leadership quality, it is found very well. In relation to this logic, about one-eighth respondent’s view of it is good a bit whilst around one-fourth of them has noted it is between good and bad. Above half respondent has reported that they are fully satisfied for the performance of leader. In general, it is observed when they were taking about their leader’s quality, they show hesitation, according the quality of their leader is not performed well. A KII has reported, “Our leader does not want to give more time for the association” (AR 5). Another KII has added, “Our leader is ornamental, he is doing nothing” (AR 11). The information provided by the KIIs is similar to the observation. Hence, the quality of the leaders for some association is not so well because they are nominated by the selected members.

Respondents’ satisfaction level about the quality of the leaders varies from association to association. Some respondents claim that their leaders are excellent in quality whilst the some other members report that their leaders are poor in quality.

The associations that take collective decisions and act together, they make their leader accountable. It is found by observation and FGD also that the leaders of the ADLS, FCS, LFMS and WWS respectively perform better than that of the other associations. This difference between associations is made by the deference of making collective decision, raising collective voice and acting together.

By the above information, it is said that the accountability of the leader lies in the selection process and quality to perform. It may be assumed that while the leader is selected by collective decision, (s) he ensures accountability. Again, people satisfaction about the quality of the leader encourages her/him to make accountability in every activity.

Accountability of the Decision

Accountability depends only on the decision making process. Decisions may be formed through collective opinion or individual opinion. While collective opinion is related to democratic process in which every participant can contribute, the individual opinion is associated with the leader's judgment. Both mechanisms of decision making is important for taking action, but collective decision making is appropriate for ensuring its accountability. The dissemination of information about the decision undertaking makes the decision accountable to all. It is yet to be unknown that which option—between collective and individual choice—is the best for making the decision accountable. If the participants make the decision collectively, all of them know the information. Dissemination of information about it is needed only when the decision is taken by the leader. Above two-third respondents have replied that they take each decision collectively while about one-third respondents have the view of it is taken by the leader. It is observed that the leader takes the decision first, and then circulates it to the member. The leader sometimes hears the voice of the member and then takes the decision. The participants of FGD have focused,

> "We call everybody in a meeting informing the agenda so that each member can take preparation. Then we exchange our knowledge, ideas and experiences to reach a decision. When all members agree to a point, then we take it as a decision for implementation" (FGD 3).

The representatives of the association have informed that they make the decision by discussion in the meeting (AR 9). "The leaders are always responsible for our decision, (AR 6 and AR 5).

In general, decisions are made collectively. It is observed that only two OIAs—TKU and LFMS—designed its decision by the leaders. It is noteworthy here that these two associations have limited stock of social capital, which does not encourage the members to act collectively for making decision. The members of these associations have been being conflict with each other. They can not to raise their collective voice to share the decision. The alternative figure is also observed in the other OIAs. These associations have different level of social capital that keeps the members together for accumulating benefits. While these associations fail to propagate all information timely, the members raise their voice collectively.

In case of disseminate information about decisions, around below one fifth respondents report that they get the information sometimes whilst about one five of them catch it in the time of need. Another three fourth of them has the view that they always receive it. The highest figure for disseminating decisions is observed for the FCS, LFMS, WWS and VSS where decisions are circulated as soon as possible. No information about is provided to the members of the TKU and PGPLS. The other associations share it with the members when it is necessary. A KII has talked about, "We need not to disseminate the decisions undertaken because we all participate in the decision making process" (AR 4). The information provided by a KII is, "We provide all information to make the decision accountable" (AR 1). By analyzing the above evidences, it is presumed that the higher the collective decision is the higher accountability of the leader. Accordingly, collective decision making is the best for making the leader accountable.

To summarize the evidences, it is observed that collective opinion, information dissemination and access to the information about the decisions undertaken in the meeting are important tool of accountability. Decisions formulated by collective opinion are correlated with the accountability of the leader, activities and outcomes. At the same time, if the information about decisions is shares with all members timely and if the participants have enough and easy access to all information, they can raise their voice collectively to make the decision s accountable.

Financial Accountability

The center issue of an association is finance for which members act together. If there are no financial benefits, people would not work collectively. Many voluntary works have gone under failure due to this reason. The collection action problem or the tragedy of common is occurred because of free riding, individualistic behavior and selfishness for taking financial benefits. All these issues are related with financial accountability. While the financial unaccountability is arisen, the problem of collective action is also occurred. If the people have no access to the finance of the association, they significantly fail to empower them. Financial accountability may be established by maintaining register, information sharing and giving access to the information.

With regard to maintain register, it is observed that all OIAs maintain always their register where they write down the income, expenditure and savings time to time. They have two types of registers. One is income-based register and another is personal information-based register. Most cases they use *Khata* (a bound book of blank sheets). Some associations retain meeting regulation register. These associations are the FCS, LFMS, WWS and VSS respectively. The other associations do not use register for meeting. In case of financial accountability, only the ADLS do not preserve any register. Their income is very less. They meet daily each other and

distribute work equally among the member. Accordingly, they feel no need of register. The other associations have the register where their income-expenditure and distribution of money are also written.

The financial accountability does not established appropriately if the information regarding finance do not disseminate correctly among the members. Most cases, all decisions and information relating to finance are shared with or supplied to the members regularly. Most respondents have pointed out that they have the access to the information of decisions. While they want to get, the authority is bound to provide it. As the members can realize that what is going to happen by getting access to the information, they can raise collective voice to make their finance accountable, and hence they make their leaders accountable. The better dissemination of financial information is observed in the FCS, LFMS and WWS respectively that include all to share the information. The ADLS, CLS, VSS, CCS and RPS circulate it often whilst the FLWS, TKU, PGPLS and HS supply it to all when it is necessary

Access to the financial information is important to maintain the financial accountability. Close to all report that they have the access to the information regarding finance, saving and benefit. It a member asks the cashier about it, the cashier provides it as soon as possible.

To end, it is clear that all association maintain register for accounting income, expenditure and savings and all members have the rights to know the financial information. But the important point which is observed is that the higher the social capital is the higher level of financial accountability. Hence, social capital plays the key role in ensuring financial accountability.

To conclude this section, accountability may be introduced with the assumption that there is a relationship in action between accountability, empowerment and capital formation. To ensure accountability for empowering the members of the

association, it is needed to make the three important elements—leader, decision and finance—accountable to the members. Firstly, collective decision for selecting leader and member's satisfaction about the quality of the can play a vital role to make the leader accountable. Secondly, decisions may be accountable if these are formulated by collective opinion, disseminating information about the decisions and getting access to the decisions undertaken. Thirdly, financial accountability can be guaranteed through using register and sharing financial information. Accountability of these three elements lies in the stock of social capital. The higher stock of social capital is associates with higher level of accountability and the greater level of accountability is correlated with higher amount of capital formation and lower amount of poverty. The existing studies focus on the leader's accountability as a tool for building social capital as well as other forms of capital. This study has observed that leader's accountability does not make any outcome if there is no mechanism to ensure the decisions and finance accountable. Both decision and finance are significantly related with participation and collective action, and thus with capital formation.

Collective Decision Making

Collective decision making is a necessary condition for the provision of collective action and the management of public resources. It is an output of social capital, but an input of empowerment. The poor usually cannot take part in making decision. Though it is hypothetically believed that the poor are unable to make decision due to lacking of information and knowledge, the fact is that they always make decision for maintaining their family. Participation in decision making is an important indicator of empowerment. Most cases decision comes from the upper level while the lower one follows the upper one decision. Government, local and voluntary associations do not always effectively maximize their ability to make collective decision. Local

institution are more effective at enforcing common agreements and cooperative action when the assets are distributed relatively equitably and benefits shared equally (Serageldin and Grootaert 2000: 49). It depends on the trustworthiness environment (Coleman 2000: 35). There is a presumption that collective decision is an outcome of social capital, but it produces different forms of capital that can reduce the poverty. Putting the poor first in making decision is essential for collective action and any kind of development. The Collective decision making process aims to capture three important issues—the extent of participation in collective decision, controller of decision and the types of decisions undertaken collectively. At the same time, an overall assessment of the success of those decisions is also observed in this study.

Participation in Collective Decision Making

Participation is important for making collective decision. It, one hand, gives the opportunity for the poor to contribute in decision making, it, another hand, enriches a sense of the poor to be empowered. It is observed that near all respondents were present in the meeting for making decisions last year. They make their every decision collectively. "We always discuss about any agenda and then make decision by the vote of all members" has been said by a member of an association (AR 8). Another KII has argued, "The members debate first by exchanging ideas, information and experiences and then make an agreement to reach the decision" (AR 1). The same evidences are found in the all OIAs. Each association has a norm for which no member can be absent in the decision making process without reasonable cause(s). Social capital and collective decision is correlated. If the stock of social capital is high, the frequency of making collective decision would be high. Though all members attend the decision making process, it varies from a bit to always. Just about two third respondents have claimed that they always take part in this process while one-six of

them participate in the time of need. Among the associations, the FCS, LFMS, VSS and WWS respectively take all decisions collectively. The other OIAs take collective decisions only when it is necessary.

The social interaction, trustworthiness environment and reciprocal attitude among the members of these four associations are better than the members of the other associations. Since the stock of social capital in these four associations is higher, they use it to make collective decisions. The ADLS, FLWS, CLS and RPS always take collective decision, but the rate of it is lower than the earlier cited four associations. The other OIAs make it when it is necessary. Basically social capital makes these differences in taking collective decisions among the OIAs. In spite of having different works, they never forget to join in the meetings. They think that meetings give the opportunity to raise voice, opinion and experience through which they can express their personal identity, ability and power of voice. As it adds up mental strength that they can do anything, they can now communicate personally with others.

Decision Taker

Empowerment depends not only on collective decision making but control over the decisions also. There may be different persons who take the responsibilities to take the decision. These are all members or selected members or committee or outsider influential persons. When all members take the responsibilities in making decision, they can enjoy some power. They can contribute their ideas which give them special identity, mental strength and social values in the association. Close to all members think that they are the decision taker. They have collective control over the decision. A KII has mentioned, “We all are responsible for the decision” (AR 7). Exceptional case is observed for the TKU and CCS respectively. The TKU takes decision by the committee whilst the CCS takes decision by some influential members and outsider,

such as political leader and *Ghat* (boat station) owner. Due to lack of strengthen social capital, these two associations fail to exercise power over decisions. Hence, it may be said that collective efforts to make decision facilitate to take collective control over decisions undertaken.

Name of Decisions Undertaken

While the people take decision collectively and collective control over decisions, they can achieve more benefit from the decision. It is presumed that people want to make those decisions which are important for their earnings. They sometimes take some decision for expanding networks and making group unity. The respondents were asked about the three important decisions that were formulated last year. The table 4.1 shows the three important decisions that were made by each association last year. It is observed that all OIAs took those decisions collectively, which were related to their occupation, group unity and building social capital.

Table 4.1. Three important collective decisions made by the association last year

OIAs	**Decision 1**	**Decision 2**	**Decision 3**
ADLS	Increasing the amount of wage	Equally distribution of work	Leasing a land for cultivation by all
FCS	Repairing deep tube-well	Repairing the water canal or drain	Equally distribution of water
LFMS	Controlling over the plot	Taking care of plants	Protecting the forest from theft or fire
FLWS	Buying a boat	Helping a needy member	Equally distribution of benefit
TKU	Increasing wage	Succession of strike	Collective bargaining with the owners
PGPLS	Increasing wage	Helping a member by giving work	Not
WWS	Providing loan from the savings	Campaign for family planning	Tree plantation beside the house
CLS	Increasing wage	Helping a needy member	Organizing picnic
VSS	Protecting market place	Cleaning the place and drain	Selecting the selling price
HS	Selecting the selling price	Equally distribution of benefit	Saving monthly money for police
CCS	Wage increasing movement	Distribution of working area	Helping a needy member
RPS	Increasing the fair	Helping a needy member	Picnic

Source: Field study

From the table 4.1, it is observed that their first choice to make decision on income generation. Their second choice varies across the associations. Some associations choose income generation related decision while the some other associations give importance to make decision for reciprocal help for meeting the emergency. The third option is associated with recreation and strengthening social capital. If there is no opportunity to generate income through implementing the decision, the members do not contribute to the decisions. If the first option is met, they look at the second and third option. In this case, above half of the participants has reported that all decisions are successfully implemented. Although the performance for implementing the decisions is found better for all OIAs, it is observed low for the TKU, PGPLS and CCS respectively.

To summarize, accountability of the decisions are related with empowerment of the people. The decisions may be accountable when it is formed collectively and controlled by all. While the decisions are taken considering the members' benefit, group unity and social capital, all members take part in it for making and implementing. If the decisions are formed by some members and there is no access of all members to the process of decision making, the undertaken decisions may be unaccountable.

CONCLUSION

Having examined the nexus between social capital, empowerment and poverty, this chapter brings together the findings of the empowerment process in occupation-based informal association of Bangladesh and its outcomes that facilitate capability and capital formation. The main aim of this chapter is to explore how does people's empowerment promote or inhibit and whether it influences poverty by capital (de) formation. For doing so, this chapter has four core sections. The first and second section summarizes the existing definition of empowerment and presumptions about

the nexus between empowerment, social capital and poverty. The third section finds out the process of empowerment in terms of sharing information, inclusion, accountability and collective decision making. This section analyzes also the outcomes of the empowerment.

For first and second section, empowerment has many meanings to many people, but the concept of 'power within' is significantly related with the concept of social capital because power within claims the changes in relationship, rules and norms for empowering people, especially the women. Since social capital and poverty correlated, empowerment can facilitate some action of the people, which produces different forms of capital for the people. Hence, empowerment affects the level of poverty by sharing information and collective decision. Again, empowerment has examined within the frame of sharing information, inclusion, accountability and collective decision making. With revisiting the existing studies, it is summarized that social capital—social network, trust and norm of reciprocity—is linked with empowerment because it uplifts the capability—individual capabilities and collective capacity— and assets of the poor. The capability increases the power of people to do something and to add different forms of capital with their wellbeing.

For third section, the process of empowerment has four sub-sections, which are sharing information, inclusion, accountability and collective decision. Each sub-section is consisted with different indicators. This section has assessed the process of empowerment by the four sub-sections.

Information sharing is the main element of empowerment. People can accumulate physical, human and social capital by using appropriate and timely information. Association is a source of information. The members increase their stock of necessary information by taking membership in the association. The necessity of

the information depends on the need of their daily life. Generally, the participants collect their necessary information—which are price of daily necessary goods, wage, sources of loan and occupational opportunity—through using copying mechanisms from different sources, like television, association's meeting and informal discussion, for instance gossiping. Homogeneity among the people encourages them to copy the informative member or person. At the same time pooling occurs when there is heterogeneity among the people. The most influential source of information is the meeting of the association where both copying and pooling are used, but the best mechanism of sharing information for the poor people is copying. Radio and news paper does not play any role on the accumulation of information by the poor. The collected information, however, is correlated with the capability and access to the services and resources and thus with the wellbeing of the people.

Inclusion is associated with empowerment. If the people are excluded from the services and resources, they keep them away from empowerment. Inclusion may have two categories. The first is bonding inclusion and the second is bridging inclusion. The bridging inclusion occurs within the association between different characteristics of the members while the bridging inclusion happens outside the association through linking with other organizations. Bonding inclusion has two forms. Firstly it occurs with those who have same backgrounds, and secondly it includes different characteristics of the members, for example income, educational qualification, household assets, gender, social position, membership duration, religious belief and political connection. Since people are different in terms of characteristics, inclusion is possible by the second form. People get more returns when they interact with those who have different backgrounds. The bridging inclusion is related with the access to the services and resources. It depends on the background of the people. Those who have higher level of social capital and backgrounds, they can easily bridge their

network with other organization. This study has observed that only two associations—FCS and LFMS—have the access to different services due to having higher stock of social capital. Most respondents do not capable to bridge their network with the services provided by government and non-government offices. Both bonding and bridging inclusion is necessary for empowerment and capital formation, but the poor are usually deprived from the bridging inclusion because of poverty, lacking of information, lacking of power and illiteracy. It is observed that they develop their capability and resources by bonding inclusion. If they have access to the bridging inclusion, they can get more returns through improving capability and resources.

Accountability affects empowerment and poverty significantly. It is introduced with the assumption that there is a relationship in action between accountability, empowerment and capital formation. To ensure accountability for empowering the members of the association, it is needed to make the leader, decision and finance accountable to the members. Firstly, leaders bound to be accountable by the selection process and members' satisfaction. If the members select or boycott the leader collectively and make pressure for their satisfaction, the leader ensures accountability in every activity. Secondly, Secondly, decisions may be accountable if these are formulated by collective opinion, disseminating information about the decisions and getting access to the decisions undertaken. Thirdly, financial accountability can be guaranteed through using register and sharing financial information. Accountability of these three elements lies in the stock of social capital. The higher the stock of social capital is the higher level of accountability and lower level of poverty. Each of the three elements is correlated with the accountability and empowerment separately. But a synergy within these three elements can get a higher amount of returns by developing capability and resources to the people.

Decision making is an important part of ensuring accountability that facilitates to improve the capability and resources. Decisions are taken by different ways and controlled by different people. While the decisions are formulate by the participants collectively and controlled by all members, it becomes accountable to the participants. While the decisions are taken considering the members' benefit, group unity and social capital, all members take part in it for making and implementing. If the decisions are formed by some members and there is no access of all members to the process of decision making, the undertaken decisions may be unaccountable.

By summarizing the above findings regarding empowerment, it may be conclude that empowerment facilitates the improvement of capability and capital, and help to reduce poverty. It is concluded that there is a probability to develop capability and resources through sharing information, inclusion—both bonding and bridging network, ensuring accountability and making decision collectively. In order to empower the poor, these four issues might be considered in designing the nexus between social capital and poverty

CHAPTER V

COLLECTIVE ACTION AND POVERTY LINKAGES THROUGH CAPITAL FORMATION

Collective action is both an input and output of social capital. There are many studies which show the relationship between collective action and household welfare. Collective action enhances income and then it reduces poverty. The question addressed by this chapter is whether collective action affects poverty and what factors do shape collective action successful. Focusing on the concept of collective action, the chapter argues that the choice of second-generation collective action theory is related with social capital formation and can resolve the collective action problems. This chapter shows that collective action problems are arisen due to free-rider, opportunism and selfishness. While people agree to work together, they can easily remove these problems by taking collective decision. Taking collective action mechanisms in the OIAs of Bangladesh, this chapter claims that collective action has been designed and implemented within the frame of previous experience, capital accumulation, communication and conflict resolution. These four issues of associations have been developed the capability and resources of the members, and then it help the members to reduce their poverty. This chapter also argues that the members of the OIAs in Bangladesh has failed to bridge their networks—communication—with other organizations, but they significantly work together for capital accumulation and conflict resolution inspired from the previous actions. This chapter also argues that those who have better experience in collective action in accumulating capital, making communication and resolving conflict mechanism regularly, and thus they can improve their different forms of capital outstandingly. By this process, collective action plays a significant role in making the nexus between social capital and poverty.

CONCEPTUALIZING COLLECTIVE ACTION

Collective action is important for not only poverty reduction but also building social capital. It is an empirical fact that is difficult to explain solely with the earlier presumption—first generation collective action theory—that focuses on individualistic and self-maximizing attitude of the people. The later presumption of collective action—second generation collective action theory—is associated with social capital. The later presumption provides the fact that collective action in any community is possible only if a significant amount of social capital is available there. The definition of collective action differ widely due to the difference existed between the theories.

Beside these, the existing literature gives its priority on shared interest, role and action system and institutional arrangement in understanding collective action. Most of the existing literature—from public goods, such as common properties or resources to public bad, like the tragedy of commons or free riding problems—explains the hypothesis of how the people contribute to the promotion of collective interests or common goals. People form associations, its framework, its rules and norms to act collectively for the promotion of collective or shared interest. However, debate goes on about the definition of collective action due to its forms, extends and longevity. It is well-known that the socio-economic development, from villages to international communities, depends decisively on how the members of a community solve the collective action problems. The network of relations, trust and norms of reciprocity—social capital—play an important role on overcoming the collective action problems. The higher the stock of social capital is the higher amount of collective action. By this argument, it is hard, not impossible, to organize collective action if there is no chance to take equal benefit.

> "Even if . . . all persons were made (equally) better off . . . there would still be a failure of supply, since the [resolution] would provide a collective good, and rational individuals would seek to secure its benefits for free. The incentives to free ride would undermine the incentives to organize a solution to the collective action dilemma", (Bates 1988, 394–95).

As social capital reduces the free-riding, selfish and opportunistic behavior, it may be use as an incentive to resolve the problem. It is presumably argued that social capital and collective action are correlated. The problem of collective action occur in the existing social dilemma settings where there is a group of individuals, a common interest among them and potential conflict between the common interest and each individual's interest (Olson 1965). These problems arise whenever individuals face alternative courses of actions between short-term self-regarding choices and collective benefit. The main task of collection action is to achieve mutual benefit by overcoming the selfish incentives. It is necessary to define collective action in a broader sense.

Definition of Collective Action

Collective action is although hardly a new theme in poverty reduction and development lexicon, the priority given to it has waxed and waned over the years. The overwhelming interest in overcoming collective action dilemma or the tragedy of commons has generated keen interest in the social capital concept itself. Accordingly, there have been many attempts to define collective action by academics, researchers and international institutes. However, a universally accepted definition of collective action is yet elusive. The term collective action makes itself puzzle due to its forms and content. It embodies mutual values created by social networks, trust, norm, rules and association, which reflect the social, political and economic forces prevalent at the context in which it is put.

It is a process of acting together through collective decision to achieve a common goal. The extent of collective action, the types of activities undertaken collectively and an overall assessment of the extent of willingness to participate in these activities are important to understand collective action. While the extent and types of activities are objective, the willingness of the people to participate in it is subjective.

The combination of these subjective and objective elements of collective action makes itself very complex. Accordingly, it is hard, but not impossible, to conceptualize collective action. It, generally, indicates 'joint action for the same goal' or 'actions undertaken by the people to achieve a common objective'. In the economic point of view, it is analyzed in term of shared interest or collective benefit. It is the action taken by a group—either directly or on its behalf through an organization—in pursuit of members perceived shared interests (Marshall 1988 cited in Meinzen–Dick et al 2002: 4–10). Alternatively, the sociological literature includes the integrity, solidarity and collective role in conceptualizing collective action, but it consciously denies the collective benefit approach that is highlighted by the economists. It is defined "as a role system in which members regard certain actions as required in the interest of the integrity and continuity of the system, engaging in these activities rewardless of the immediate self-interests" (Landsberger 1961: 222). Although, role is an essential tool for collective action, it is useless if it fail to organize action properly. For this loophole, it is considered as an action system in lieu of role system. It is an action system that involves solidarity in this sense that its members define actions as required in the interest of the integrity of the system itself and others as incompatible with that integrity (Parsons 1972: 97). Hence, the sociological school focuses on the input value of collective action while the economic approach includes the output value of it. Both input and output values are important in conceptualizing collective action. In practical, collective action is an 'action system' in which people integrate to act together for equal benefit because whether people act collective or individually depends on action undertaken. In order to define it, there are at least three requirements to be needed. These are: (i) involvement of a group of people, (ii) shared interests within the group, and (iii) some kind of common action which works in pursuit of that shared interest.

Without the combination of these requirements, collective action is impossible at all levels. Whenever there is no chance to exclude a free-rider from the benefits, each person is motivated not to contribute to the joint effort, but to free-ride on the efforts of others. If all participants choose to free-ride, the collective benefit will not be produced (Ostrom 1990: 6). Due to the complexity of the collective action definition, the second generation collective action theory has been introduced focusing on the importance of social capital. Collective action is a action system that is encouraged and organized by the social capital.

First-Generation Collective Action Theory

The basic elements of the first generation collective action theory are rationality and individuality. According to this theory, as individuals are atomised, selfish and fully rational, they are encouraged for personal gain through free riding and discouraged for equal benefits. This is the main dilemma in collective action. This dilemma occurs while some people involved in collective action efforts to take equal benefit without any contribution to it. The other some people, who contribute more to this effort, loss their mental strength by observing the free-riding attitude of others, and thus they left the collective action venture. Accordingly, people participation in collective action fail to achieve joint benefits and the efforts for collective action go under failure. The regulation by external authority, provision of selective incentives and privatization can play the important role to resolve the collective action problems (Olson 1965; Hardin 1968).

In a seminal book titled 'the Logic of Collective Action', it is presumed that people do not motivate to pursue public goods (collective benefit) if there is a temptation to free-ride. Where there is enough chance to free ride, there is enough probability to non-cooperate each other (Olson 1965). Focusing on environmental issues in the 'Tragedy of the Common', Hardin (1968) concludes that individually

rational strategies can lead to collectively irrational outcomes because selfishness and individuality come in mind from rationality. They also suggest that the prospects for voluntary and sustained collective action are unimportant because individuals are unlikely to co-operate unless its direct interest goes in favour of them. Accordingly, this theory is treated as the pessimistic view of collective action.

This theory gives less importance on group cooperation, but gives more importance on regulation by external authority, provision of selective incentives and privatization to solve this dilemma. The theory includes also the group size, socio-economic homogeneity, incentives and exercising coercion for overcoming the free-riding problems. A small group with homogeneous members regarding socio-economic characteristics can easily interact with each other. In this way, it provides a better chance to its members for gaining co-operation that can significantly reduce free-riding attitudes. Alternatively, selective incentives, such as rewards and punishment and coercion to obey the rules and norms govern human behaviour, which persuade individuals to act for common interests.

The first-generation collective action theory is highly criticised for its narrow rationality and oversimplification of selfishness and individual motivation. There are many instances of collective action problems, which are occurred due to existing networks, associations or other ongoing relationship among individuals. These examples do not match with the selfish assumption (Ostrom and Ahn 2003: XV). The some other scholars criticize the individualistic assumption viewing that it is reducible to instrumental disposition for linking means to ends and weighing up cost and benefits. Though this theory gives emphasis on the heterogeneity of individuals over social positions and resources, it neglects the role of leadership, psycho-social differences of individuals and the impact of multiple identities. By giving importance

on selfishness and free-riding, this theory extends uncertainty about the possibility of collective action to scepticism about the possibility of shared knowledge and shared beliefs (North 1990:30). Practically, some individuals are motivated to their immediate material gains at the expense of others and the some other people take into account the other individuals' interest because of their non-selfish utility functions. Non-selfish individuals depart also from the purely selfish motivation. With the help of non-selfish attitudes, people can organize collective action and resolve the existing problems by acting voluntarily to achieve those common interests (Bentley 1949; Bolton and Ockenfels 2000; Feeny et al. 1990; McCay and Acheson 1987). All these criticisms reject the selfish and individual motivation of the first generation collective action theory and draw attention to the existing networks, trust, norms and association in order to form an appropriate theory. Due to the existing shortcoming of first generation collective action theory, the second generation collective action theory has come into front.

Second-Generation Collective Action Theory

The second generation collective action theory includes the existence of multiple types of people as a core principle of modeling human behavior and excludes the universal selfishness of first-generation collective action theory. This theory is formed considering the necessity of social capital—social networks, norms and trust—in making collective action. The pioneers of this theory are Ostrom and Ahn, and Uphoff. Through revisiting Olson's thesis and re-examining the patterns of interactions between individuals and groups, they have challenged the earlier pessimistic prediction. According to them, collective action could be occurred and sustained in the right circumstances and appropriate institutional arrangements. Cooperation is a precondition for collective action. Spontaneous cooperation is possible by the presence of social

capital because trust, norms and networks—social capital—generate expectations, facilitate co-ordinated actions and punish non-compliance (Ostrom and Ahn 2003). Regarding cooperation, another argument is found that it is motivated by norms, values, beliefs and attitudes through reinforcing expectations. Social capital—norms, values, beliefs and attitudes— meet the gap for gaining co-operation through material incentives or coercive actions (Uphoff 2000: 10).

With contrasting the earlier theory, the second-generation collective action theory makes three important points depending on broader social context, bounded rationality and managing capacity of different entities. Firstly, the dilemmas of collective action depend on not only selfishness but also a broader social context. As the social context, in other word social capital, keeps the people together, it helps to understand how people cope with the diversity of collective action problems. In this sense, social norms— an element of social context— is as important as formal rules in modelling collective action theory. Secondly, collective action arises from not only rationality but also bounded rationality. People's rationality is bounded by the availability of information and the ability to precede it. The main outcome of social capital is sharing information that makes people bounded rational for collective action. The bounded rationality becomes the key in modelling the theory. Thirdly, this theory also reject Olson's proposition that socio-economic heterogeneity necessarily impedes co ordination. From this viewpoint, it depends on how the solutions of collective action dilemma are formed through how managing the heterogeneity among people.

While the first generation collective action theories focus on non-cooperative game theory, the second generation collective action theory underscores behavioral and evolutionary game theories (Camerer 2003; Gintis et al. 2005). Many theory of collective action depending on behavioral game theory still use to solve the loopholes

of non-cooperative game theory. One of the main elements of behavioral game theory is the problem of social motivations, which has a direct implication to the discussion of trust and trustworthiness. Another element is the problem of endogenous preferences, which is a key issue in behavioral game-theoretic approaches for collective action (Bowles 2000; Guth and Kliemt 1998; Guth, Kliemt and Peleg 2000). Accordingly, social capital has a direct link with behavioral game theory, it is necessary to include in modeling collective action theory. The second generation collective action theory meets the gap by including social capital.

To conclude, collective action is an action system, which is produced and reproduced by social networks, trust and norms, and by which people act collectively for mutual benefit.

SOCIAL CAPITAL, COLLECTIVE ACTION AND POVERTY

Collective action plays important role on making the nexus between social capital and poverty. At one side, it enhances the social networks, trust and norms of reciprocity by reputation of taking part in activities; at another side it produces different outcomes that help to reduce poverty. A one unit increase in collective action reduces a momentous amount of poverty. It is presumed that collective action is possible only if a significant amount of social capital is available in the community or society. The success of collective action lies in the process of co-ordination, cooperation and interaction which bridge the networks with different resources and services. It increases the ability of individuals to develop capabilities and resources for uplifting their living standards. The incentive for the provision of social capital and collective action can resolve the free-riding challenges and tragedy of commons. It is also presumed, "... the economic and political performance of societies, from village to international communities, depend critically on how the members of a community solve the problem of collective action" (Ostrom and Ahn 2003: xiii). Hence, collective action is an output of social capital and an input for poverty reduction.

Social capital—social relationships—are associated with various forms of collective action that affect the wellbeing and empowerment of the people (David 2009:5). Social capital does not produce simply; rather it lies in the framework of collective action (Ostrom and Ahn 2001: 4-5). While people in a dense network can reap benefits due to their individual contribution on capital formation and its maintenance, they invest their time and money willingly for collective action (Ostrom 2009: 36). This is the basic supposition of the linkage between social capital and collective action. Free riding and opportunistic behavior is considered as the causes of collective action problems. Social capital can more efficiently restrain opportunism and resolve the problems of collective action (Putnam *et al*. 1993: 173).

With examining the two irrigation systems, Wade (1994: 164) infers that collective action-based irrigation system produces more production with lower transaction cost than an individual managed irrigation system. Observing some evidences of collective action in conserving and developing watersheds in Rajasthan, India, Krishna and Uphoff (1999: 9) presume that collective action is highly correlated with the productivity of fodder and fuel wood[19]. In a seminal study on Nepal irrigation system, Lam (1998: Table 5.6) provides the information that the irrigation system, which have been improved by the construction of permanent head works are in worse repair, delivers substantially less water to the tail end than to the head end of the system, and have lower agricultural productivity than the temporary, stone-trees-and mud head works constructed by the farmers collectively.

[19] In the study areas, between five and eight residents in each participating village were elected by fellow villagers as user committee (UC). It is expected that this UC would, on behalf of the village, organize and manage a variety of soil and water conservation works on common lands, such as planting trees and grasses, enforcing rules for protection and extraction, and fencing these lands against stray cattle and human encroachment. These collective activities were expected to sustainably enhance fodder and fuel wood yields on these lands. With the help of project staffs, the UC in association with the villagers draw up and implement a development plan collectively for the common lands of its village. As the members work collectively in this project, they would govern the sharing of costs and the distribution of benefits. Thus, they were able to produce more productivity in terms of fodder and fuelwood (Krishna and Uphoff 1999: 5).

Collective action plays a key role on household welfare. While people act collectively, it affects not only the individual life but also the community life as a whole. There are many examples of collective action that it is practiced as an important tool of community life in many countries. In case of Indonesia, collective action is used as a part of village tradition and maintaining infrastructure—roads and bridges, community buildings, water supply systems *etc*—and for providing related public services (Warner 1998 in Grootaert and Bastelear 2002: 59). It has four basic and omnipresent elements that can be transmitted into people's wellbeing. These elements are previous history of collective action, resource mobilization, communication and conflict resolution (Uphoff 2000: 228). Collective action becomes more difficult without appropriate norms, roles and rules for decision making and resource mobilization. Facilitating communication among persons, as well as resolving any conflicts that may arise among them, is likewise needed to hold the people together. A central characteristic of collective action is that it is produces positive outcomes for the participants. By working together and exchanging mutual support, people can gain greater mutual satisfaction overtime (Krisna and Uphoff 2002: 87).

From the above analysis, it is found that collective action has two outcomes. Firstly, it helps to produce social capital by reputation of it. Secondly, it creates different forms of capital through interaction, communication and equally distribution of benefits. These different forms of capital increase household resources and reduce poverty. In conclusion, it may be assumed that collective action is related with social capital, and with the poverty.

PREVIOUS HISTORY OF COLLECTIVE ACTION

Collective action is a history matter. Its success depends on the earlier collective activities which have built at least a minimum level of social relations, trust and norms among the participants. Previous history of working together transmits people

perception into future actions. Collective action is not designed and employed by chance; rather it is encouraged by the past experience and future expectation. While people have a good experience of collective action, they are obligated to organize collective action in future. Though the experiences of working together are likely to vary considerable across the communities, there is a consensus about collective action that it is occurred today for tomorrow. Accordingly, those who acted collectively in the past expect that the community will continue to cooperate regularly. This is one of tools of collective action.

Information about present membership and future expectation is supplemented by the information about participation in collective activities undertaken in the past (Grootaert and Bastelear 2002: 31). The well-recognized leader and norms of reciprocity play significant role on designing and implementing collective action. Receiving information about the unfortunate events, the leader directs the people to act collectively for meeting the emergency. Alternatively, in the absence of clearly roles or leadership for organizing such action, people are motivated by reciprocal norms of what is appropriate the behavior to act in the time of emergency. The trustworthiness and effectiveness of both leadership and reciprocal norms depend on reputation of such work. The reputation is occurred by the good experience of collective action. However, social capital has been found to be high in communities in which large number of people has participated in previous collective action (Hirschman 1984). In Indonesian village, it is a part of village tradition and consists primarily of community-organized activities for building and maintaining infrastructures, such as roads and bridges, community buildings and water supply system *etc* and for providing related public services (Grootaert and Bastelear 2002: 55-56).

From the existing studies, it is assumed that past experiences of collective action facilitate the potentiality of future collective action. By implementing collective action, the participants produce different forms of capital and thus they can reduce poverty. Accordingly, the experiences of working together in the past are needed to be scrutinized deeply. Three important dimensions—participation of collective action, the type of activities undertaken, and an overall assessment of the extent of willingness to participate—are important to evaluate the previous collective activities. The present study has examined these three elements of previous collective action organized and implemented by the OIAs in Bangladesh.

Participation in Previous Collective Activities

The experience to participate in previous collective activities is important for taking part in the present and future collective action. If the people have the experience of free riding problem in the past, they discourage to participate in the future action. Alternatively, they encourage to it if they have previous experiences of taking equal benefit. In answering the question whether they participated in collective action last year, near to all respondents have replied the affirmative answer while only one ninth of them have given the negative answer. This information is quite similar to the information gathered by observation and FGDs. It is quite similar because there is found little difference in participating in collective action last year. The participation rate is found higher for the ADLS, FCS, LFMS, WWS and VSS respectively whilst it is located lowest for the FLWS, TKU, PGPLS and CCS respectively. Participation in collective action is correlated with the active membership and potentiality of making benefits. Since the participation and empowerment level of the FCS, LFMS, WWS and VSS respectively is high and their members are active and take design different income earning activities, their participation in previous activities is observed higher

than the other associations. Social capital has impact on making this difference in participating previous collective action. A leader of the association has said, “I joined in family planning campaign last year and understand how I would be resource in my family” (AR 7). Another KII has replied, “We all worked together from the ago because it provides a lot of benefits” (AR 2). The members of the TKU, PGPLS and CCS respectively has built lower amount of social capital, hence their participation in a previous collective action is observed low. In addition to this information, a KII has noted, “We fail to establish group unity and solidarity. One cannot trust others. So we organized few work” (AR 5).

Types of Previous Collective Action

If the activities do not add some value in their wellbeing or life style, the members of any association do not interested to act collectively. Although collective actions fully depends on the collective decisions taken by the associational members, the extent and types of return from the actions is also essential for future will to participate in collective action. The return by participating in collective actions varies from action to action and from association to association. The advantages of participating in collective activities might be physical or human or social, but the extent and types of returns depend on the nature and types of action which is undertaken. As a result, it is important to locate the name of actions undertaken for acting collectively. The participants are asked about the three important collective activities in which they took part last year. The following Table 5.1 shows the three important previous collective actions undertaken by the associations last year.

The table 5.1 provides the fact that the surveyed OIAs organized different types of actions in which the members of a particular association participated last year. These collective activities are highly associated with the members’ wellbeing

because most activities are related with income generation, reciprocal help or mutual support to meet the emergency and recreation. All actions add some values—physical, human and social capital—to the living standard of the participants. According to all participants, they give their first priority on those activities, which are helpful to improve their occupation, and then they give emphasis on mutual support and recreation-based activities. In case of the LFMS, the undertaken three activities were significantly associated with income; most actions were based on plantation. The ADLS, PGPLS, WWS, CLS, VSS, HS and RPS designed some actions for supporting needy members to meet the risk. All members of these associations participated in these actions collectively. All associations, except the LFMS, formulated recreational activities, such as picnic and sports because it gave the members' mental satisfaction and strengthened social capital of the association.

Table 5.1. Three important collective actions participated by the members last year

OIAs	Collection Action 1	Collection Action 2	Collection Action 3
ADLS	Cultivating a land by lease	Helping a member to meet the emergency	Picnic
FCS	Repairing deep tube-well	Repairing the drain	Picnic
LMFS	Cleaning the forest	Selling trees collectively	Protecting jungle by turn
FLWS	Demonstration for making security in water	Buying a boat	Helping a needy member
TKU	Demonstration for increasing wage	Striking from the work	Sports
PGPLS	Demonstration for increasing wage	Helping a needy member	Picnic
WWS	Family planning campaign	Helping a member	Picnic
CLS	Demonstration for increasing wage	Helping a needy member	Picnic
VSS	Cleaning a drain beside	Helping a disable member	Picnic
HS	Striking from work for security	Helping a member	Picnic
CCS	Demonstration for increasing wage	Savings	Helping a member
RPS	Increasing the fair	Helping a member to buy a rickshaw	picnic

Source: Field Survey

The poor member-based associations have to designed mutual support-based action regularly because most of them face crisis and fail to meet the emergency. They have no access or have little access to the resources and services. As a result they depend on each other to meet the emergency. Members of the associations have said, “Collective action is a resource because it feedbacks income, knowledge and experiences to us” (AR 2 and AR 8). A KII has opined, “We depend on each other to face the emergency” (AR 1). As social capital like other forms of capital plays an important role in daily life, most of the OIAs organize some mutual aided activities to meet the needs and recreational activities.

Only the members of the LFMS did not organize and participate in any mutual aid and recreation based activities. They took part in income earning activities last year. In accordance with the provision of laws, the forest department of Bangladesh distributed some plots in the *Lalmai Pahar*, Commilla for plantation by making association among the landless people. Practically, the landless then excluded from the association. The rich and powerful persons included in it and captured the plots by exercising corruption and power. They have formed higher stock of social capital to keep the group together and have organized those activities which can provide huge return from the plantation. A member of this association provided the fact, “We gain personally, but work collectively for plantation. So, we organize those activities which are related to our plantation” (AR 3). It may be proposed that this association has negatively used social capital to gain personal benefit.

Types of Participation

Participation in collective activities and social life provides the opportunities both to take part in equal benefit and to interact with others. Social capital cannot be developed by individual acting on their own, but depends on a readiness for sociability, which is integral to the formation of relationships and building potential

networks (Bullen and Onyx 1998), There are many forms of participation. It may be compulsory or voluntary. The first provision is leveraged by the rules and norms—structural social capital—of the associations, which encourage its members by rewarding and punishing. The second provision lies in the people's mind. People participate voluntarily by expending money and time for helping others. Voluntary participation is a part of civic life (Putnam 1993). Hence, it is essential to explore how the member participated in collective action last year.

Table 5.2. Types of participation in collective action last year

Name of IOA	Collective action 1		Collective action 2		Collective action 3	
	Compulsory	Voluntary	Compulsory	Voluntary	Compulsory	Voluntary
ADLS	✓			✓		✓
FCS	✓		✓			✓
LMFS	✓			✓	✓	
FLWS	✓			✓		✓
TKU		✓		✓		✓
PGPLS	✓			✓		✓
WWS		✓		✓		✓
CLS	✓			✓		✓
VSS	✓			✓		✓
HS	✓			✓		✓
CCS	✓		✓			✓
RPS	✓			✓		✓

Source: Field Survey

Note: The sign (✓) indicate the positive answer given by the respondents regarding the types of participation in collective action undertaken last year.

In table 5.2, it is observed that respondents participate in collective action due to compulsory and voluntary obligations. Close to all respondents, excluding the members of TKU and WWS, participated in collective action one (1) because it was compulsory for all. In case of collective action 2 and 3, near about all respondents tool part in it voluntarily. Since the first collective action is linked with income generation, all associations make the rule that participating in collective action one is compulsory

for all. The second and third collective action were designed for reciprocal help, mutual support and recreation, so participation in these two action was not compulsory, it was depended on the will of respondents. The same scenario is observed for the surveyed OIAs in Bangladesh.

Another important point of collective action is how the participants invest money and time willingly. In case of the three collective actions, near about all respondents invested their money, time and labor for receiving equal benefits. The highest figure in investing money for collective action is observed for the FCS and LFMS respectively that the other associations. Though the members of other associations invest less money, they contribute more by investing time and physical labor. By this way, the members of the surveyed associations planned and implemented all collective action. According to the participants of FGD,

> "As we invest our important money, time and labor for designing and implementing collective action one, this action is bound to be successful. We think that it is our work from which we can make good networks, establish a trusty environment and build norms of reciprocity for equal benefit (FGD 12).

Another FGD has informed, "We all fell interest to invest in income generation work" (FGD 10). In addition with the information of FGDs, a KII has noted, "I expend my finance and time in collective action one for the expectation of financial benefit" (AR 3). However, the success of collective action is related with the investment of respondents. While they invest their money, time and physical labor in collective action, it indicates that there is ample stock of social capital.

To conclude this section, it may be said that participation in previous activities is highly correlated with the social capital and other forms of capital. The higher the positive experience of previous collective action is the higher amount of capital formation. People does not participate all activities. They take part in those activities

which are necessary linked with income, social capital, reciprocal help and recreation because these activities give returns to them. Between compulsory and voluntary participation, voluntary participation is more important for collective action and capital formation. While people participate in collective action willingly, they can invest more time, money and labor to it. Finally, it is presumed that the associations which are better than the other associations in terms of reputation of collective action, voluntary participation and investment are better example for producing and reproducing social capital including other forms of capital. In this case, the FCS and LFMS are observed as the better example.

RESOURCE ACCUMULATION

Resource accumulation is the central point in every association. People work together for gaining different resources that are essential for their everyday surviving. People, generally, act together, help each other and make cooperative environment while they face risk or crisis. The collective action problem may arise due to lacking of resources and its proper management. It is seen that many collective efforts has been gone under failure because of mishandling the accumulated resources/capital. Again, there other many examples that show how participation in collective activities increases the physical, human and social resources/capital of the individual, group and community.

The mechanism by which collective action is organized and implemented is different in the existing studies. But the common presumption is that it is organized everywhere for achieving common purpose (s) by a group of people. Another inference is that while it is beneficial for some people, it is expense for the some other people (Woolcock and Narayan 2000: 232). Collective action is related with economic growth. By exploring the economic growth in different parts of Italy, Helliwell and Putnam (2000) show that collective action makes the difference in

economic growth between the Northern and Southern Italy. Since the people of Northern part act collectively, they create pressure to the regional government for reforming its rules and norms, and thus they bound the regional government to perform well. Since the northern part of Italy increase GDP (resource accumulation) significantly in comparison with the southern part of Italy.

In a seminal work on Indonesian society, it is found that collective activities—mutual help and reciprocal help— are significantly related with asset (capital) accumulation and its' utilization. Most of the Indonesian individual collects radio, a pressure lamp, bicycle and credit by collective aid through joining in the association (Grootaert 1998:39). The same result is observed in developing watersheds in Rajasthan, India where collective efforts increase the accumulation of fodder and fuel wood of the local people (Krishna and Uphoff 1999). In case of Tanzanian study, it improves the quality of water supply and local irrigation management, and local roads. By these ways, collective action affects the agricultural productivity and income (i.e. physical capital) of the rural Tanzanian farmers. It also increases their ideas, knowledge and skills—human capital—about modern agricultural practices (Narayan and Pritchett 1997:30-31). It facilitates not only the accumulation of physical capital but also the creation of human capital. The role of collective action in creating human capital is positive (Coleman 2000: 34-35).

There are many studies—from irrigation management to public goods management—which show collective action increase the institutional performance by which people get access to different forms of capital (Kahkonen 2000; Bastelaer 2000; Colletta and Cullen 2002; Pargal, Gilligan and Huq 2002; Grootaert 1998: 39; Krishna and Uphoff 1999). All these studies state that collective action affect the both physical and human capital simultaneously. There is another presumption that

collective action itself increases the stock of social capital. If people work together, they increase their networks, trustworthiness environment and norms of reciprocity through reputation of actions. Accordingly, it may be assumed that collective action can play a significant role on capital accumulation. This assumption has explored below in this dissertation.

Close to all respondents have opined that they have accumulated different forms of capital—physical, human and social— by participating in the collective activities and associations. The level of capital formation varies across the associations. This variation is accounted in terms of high, medium and low. While some associations have accumulated higher level of capital, the some other associations have stocked lower level of capital. The share of capital formation for the some other associations is observed medium. However, the accumulation of different forms of capital varies in each association. For instance, one association accumulates higher level of physical capital, but it fails radically to increase the human and social capital like physical capital. The difference in accumulating capital across the associations is presented in the table 5.3.

Physical Capital

Physical capital is important for maintaining everyday life. There are many types of physical capital, but the participants of this study have increased only three important forms of physical capital—income, savings and household assets—by working together. It is also observed that the relationship between collective action and physical capital formation is significant although accumulation of physical capital varies from association to association. The variation in physical capital accretion and in utilization is matched by the difference in stocking social capital and of the purposes of collective action. It is recognize that the preexisting social capital of a

group affects collective action, which helps the participants to increase physical capital in association with other forms of capital. This dissertation has explored physical capital in terms of income, savings and household assets.

Table 5.3. Level of capital accumulation through participation in collective action

OIA	Increasing level of physical capital			Increasing level of human capita		Increasing level of social capital		
	Income	Savings	Household assets	Knowledge	Skills	Social relations	Trust	Norms
ADLS	Medium	Low	Low	Medium	Medium	High	High	High
FCS	High	High	Medium	Medium	Medium	High	High	High
LFMS	High	High	High	Medium	Medium	High	High	High
FLWS	Low	Low	Low	Low	Low	Medium	Medium	Medium
TKU	Low	Low	Low	Low	Low	Medium	Low	Low
PGPLS	Medium	Low	Low	Medium	Medium	Medium	Low	Low
WWS	High	High	Medium	High	High	High	High	High
CLS	Medium	Low	Low	Low	Medium	Medium	High	High
VSS	High	High	Medium	Medium	Medium	High	High	High
HS	Low	Low	Low	Low	Low	Low	Low	Low
CCS	Low	Low	Low	Low	Low	Low	Low	Low
RPS	Medium	Medium	Low	Low	Medium	High	High	Medium

Source: Fieldwork

Income

Income is an important tool of physical capital. It is essential to measure poverty. Most people always busy to increase income for maintaining the family or individual expenditure. Income depends on the access to services and resources, and on the wage paid for labor. Due to working together in association, all respondents' income has increase significantly. The highest figure of income accumulation is observed for the members of FCS, LFMS, WWS and VSS respectively whilst the lowest figure is found for the members of FLWS, TKU, HS and CCS respectively. The members of other OIAs have improved it at medium scale (Table 5.3).

Savings

Savings is another important element of physical capital. The poor relies on collective savings because they feel no interest to deposit money in formal institution. They, most often, expend their total income for family expenditure, and hence they have no money for savings. It is observed that the respondents understand savings as what they deposit in collective fund of the association. The amount of savings is highest for the members of FCS, LFMS, WWS and VSS respectively and lowest for the members of ADLS, FLWS, TKU, PGPLS, CLS, HS and CCS respectively (Table 5.3). The members of the FCS, LFMS, WWS and VSS respectively organize collective actions different times in order to improve their business, like agricultural production and water selling of the FCS, tree plantation of the LFMS, small-scale household business of WWS and vegetable selling of the VSS. By sharing ideas, information and experiences through collective action, they improve their income by their individual business and by the outcomes of collective action. They, hence, can deposit huge money in the formal institutions. The other associations are consisted with day-labors; hence they fail to deposit more money.

Household assets

Household assets are related with wellbeing of the people. It is essential part of life and physical capital. The higher stock of household assets is the lower amount of poverty is also presumed by the researchers. In this study, the member of LFMS have accumulated higher amount of household assets whilst the participants of the FCS, WWS and VSS respectively collect it at medium scale (Table 5.3). The member of the rest OIAs gather it at lowest level. The accumulation of household assets depends on the capacity to exchange goods and resources. With the exception of the FCS, LFMS, WWS and VSS respectively, the other associations has least ability to exchange goods

because of their poverty. Accordingly, the members of these associations fail to collect necessary assets by joining the association. The household assets that are stocked by the association are deep tube-well, trees, boat, television, almirah, grill machine, sewing machine, *alna*, cow, goat, duck, vested land and plants.

The variation in collecting physical capital—income, savings and household assets—is observed for different reasons. These are pre-existing social capital among the members, actual needs that members have for help, the existence of other sources of aid, the degree of income earning activities and logistics of social contracts. Since the FCS and LFMS have the opportunities to minimize the above reasons, they have increased their physical capital significantly. According to a KII, "As some members of us are introduced with the other sources of aid. We can easily accumulate that aid to meet the emergency" (AR 2). Another KII has focused, "Political linkages help us to get access to the resources and services" (AR 3). For these reasons, these two associations have accumulated higher amount of physical capital. Some OIAs fail to gather it due to poverty, lacking of social capital and lacking of information about other aids. As a KII has said, "Nobody wants to know us because we are poor" (AR 11). Even, the accumulation of physical capital depends on the purpose of collective action through which the participants take benefits.

Despite this variation in accumulation of physical capital among the associations, its impact on participant's living standard is significant. Whether the amount of physical capital accumulation is high or low or medium, its impact on poverty reduction depends on the ultimate needs of the respondents. A member of OIA has informed, "The amount of income and household assets increasing by collective action is low in one sense, but it is vital for us to meet the needs in another sense because our demand is very small" (AR 8). Most cases, collective action affects people's wellbeing through accumulating physical capital.

Most of the OIAs accumulate the physical capital by mutual support and exchange of goods among themselves. Only two associations—LFMS and FCS—collect this capital from other sources. The FCS collects deep tube-well from Bangladesh Rural Development Program whilst the LFMS assembles plot and plants from the Forest Department of Bangladesh by deed. Both assets of the two association help to gather income and productivity—physical capital. The physical capital is stocked by different techniques, but the common techniques discovered by observation and FGDs are collective decisions, savings and political linkages. Close to all associations, except LFMS, use collective decisions and saving techniques to accumulate physical capital whilst the LFMS applies the political linkages and power. The collected physical capital—income, saving and household assets is distributed among the members by equally or mutually or individually. While it distributed mutually among the members of the ADLS, TKU and CCS respectively, it is allocated personally among the members of the LFMS. The rest OIAs distribute it on the basis of equality among the members. The associations who have preexisting social capital, different sources of aid, good financial condition and political power can accumulate higher amount of physical capital than the other associations who have not.

In case of physical capital accumulation, the member of FCS, LFMS, WWS and VSS respectively have accumulated it at higher level due to their heterogeneous background, higher stock of social capital and capacity to bridge networks with formal associations.

Human Capital

Human capital is not tangible like physical capital; rather it is intangible. It lies in the people's ability and mind. There are many forms of human capital. There are two forms used in empirical studies is very common: knowledge and skill. Collective

action increases knowledge and skill—in the name of human capital—through exchanging ideas, experiences and information. Social capital and collective action has influential impact on creation of human capital, such as education (Coleman 2000; Gugerty and Kremer 2000). While a group of people act collectively, they can easily exchange their ideas, knowledge and experienced each other and develop their particular skills by observing or learning by doing. The present study has discussed below the development of human capital in terms of knowledge and skill. The improvement of human capital has been presented in the table 5.3.

Knowledge

Knowledge is one of essential variables of human capital. It is a cognitive form of human capital. It is always developed by sharing information, ideas and experiences, and through social interaction with others. It is now presumed that a knowledgeable person can earn more than a non-knowledgeable person. It can open the door before a person to bridge the networks for getting access to the services and resources. While people come close and work together, they can improve their stock of knowledge by reputation of interaction and sharing information. It is created through two generic processes: namely combination and exchange (Nahapiet and Ghoshal 2000: 128). Combination is occurred when new knowledge is accumulated through incremental change and development from existing knowledge. The exchange of knowledge is happened by sharing information, ideas and experiences. It is observed in this study that knowledge is stocked by sharing information, ideas and experiences. The table 5.3 presents the difference in knowledge gathering across the associations.

The accumulation of knowledge by the each association is remarkable, but variation in this case is observed among the associations. It is observed that highest knowledge accumulation is happened within the FCS, LFMS and WWS respectively

whilst the lowest figure about it is located for the TKU, PGPLS, CCS, HS and RPS respectively. The other associations gather knowledge at medium scale. Knowledge exchanging depends on the informative and knowledgeable persons with whom individual interacts. As the TKU, PGPLS, CCS, HS and RPS suffer due to lacking of informative member (s), they can exchange knowledge at lower level. Most cases, both copying and pooling mechanisms are applied for gathering knowledge. A member of an association has cited, “Knowledge is my power. I have stocked more knowledge regarding agricultural production by working together” (AR 2). Another KII has pointed out, “I had little knowledge about women rights, but now I know many things about it” (AR 7). Hence, it may be said that collective action helps the member to improve the stock of knowledge. In doing so, the respondents use knowledge properly to meet the emergency, work properly and resolution the problems. Due to having different information and background-based members in the FCS and LFMS respectively, they can exchange multifaceted knowledge, and thus they can accumulate higher level of knowledge. Alternatively, the members of FLWS, TKU, CLS, HS, CCS and RPS respectively need to improve their skill than to accumulate knowledge because their earning depends on skills. According to a KII, “I need not formal knowledge because I do work on the basis of what I learned by doing work” (AR 6). Consequently, these associations present lower level of knowledge accumulation. It is the fact that knowledge is improved by participating in collective action.

Skill

Skill is another important variable of human capital. It is also needed for any kinds of occupation. An unskilled individual never engage in any occupation because (s) he knows nothing about how to do the jobs. In this sense, skill is the only tool to increase the occupational income. Skill can be developed by formal or informal way. Formal

way is the academic training and workshop whilst informal way is the observation and learning by doing. As most respondents are uneducated and never take formal training, they make them skilled by the process of learning by doing. While they work with others, they observe the techniques of others, and learn it. The present study has found a significant relationship between skill and collective action. Collective action provides necessary information, ideas and experiences to develop skill. Close to all respondents has developed their skill by participating in the association. The highest skill development is observed for the members of the WWS. The members of this association are female and they had no skill about small scale business. By working together, they learn many things to do the business. The leader of this association has noted, "We work together for exchanging experiences about the ice-cream production" (AR 7). The lowest figure regarding skill development is discovered for TKU, CLS, HS and CCS respectively because the members of these associations work by the traditional mechanisms. The KIIs have opined, "Our occupational skill is our resource. We need not extra skill for doing our work", (AR 11 and AR 12). As a result, it may be concluded that knowledge is accumulated significantly by the participants through taking part in collective action.

Social Capital

Social capital is many things to many people. It is the features of organization, such as networks, trust and norm which encourage people to act collectively for mutual benefit (Putnam 1993: 36). Network of relations, trustworthiness environment and reciprocal norms is supposed to be resources for the people. It is generated and regenerated by reputation of collective action that can plays significant role in increasing social capital in association with physical and human capital. Social capital can increase the success of collective action and vice versa. While people involve in collective action, they

develop their social interaction, trustworthiness environment, reciprocal norms among them. Thus, collective action facilitates the formation of social capital. It is assumed that collective action increases not only the stock of physical and human capital but also the stock of social capital. As collective action brings the people together and keeps the society united, it provides enough options to the participants to strengthen their social networks, trust and reciprocal norms. Though there are many forms of social capital, this dissertation has discussed it in terms of social networks, trust and norms of reciprocity. Collective action, at one end, lies within social capital, its' success leverages the reformation of social capital at other end.

Social Relations

Social networks are specific types of relations linking defined sets of people, objects or events. While people participate in association and collective action, they build different types of networks. The types of networks are classified in terms of boundary, depth and way. In case of network boundary, the networks within the group and the networks between the groups are called bonding and bridging networks respectively. Depending on the depth of networks, it is also categorized in the name of close ties and weak ties. While the people involve personally in a network, it is direct. At the same time it is indirect if the participants take part in it through media. By participating in associations and collective activities, people build all types of networks. In case of present study, the participants form bonding networks that are also characterized by close ties and direct involvement.

The relationship between participation in collective action and building social networks is found significant in this study (table 5.3). The significance of this nexus varies from association to association because all associations fail to assemble same level of social networks. The members of ADLS, FCS, LFMS, WWS and VSS

respectively have successfully built higher level of social networks while the participants of the HS and CCS have made lower level of it. The figure is observed medium level for the other associations. This difference in making social capital is existed due to the having difference in the level participation—association, problem analysis, activities and sharing benefits—and empowerment—sharing information, inclusion, accountability and collective decision making—among the associations. Both participation and empowerment influence collective action considerably. Social networks formation and extension depend on the actors who take part in the interaction process. If the participation interacts regularly, they can build close ties among themselves. With the exception of the FCS and LFMS, all associations have increased bonding networks only. The FCS and LFMS have been capable to build both bonding and bridging networks. These two associations have multifaceted members who help to bridge its network with other groups or associations. Since the level of participation and empowerment of the ADLS, FCS, LFMS, WWS and VSS respectively is higher than the other OIAs, these five associations have accumulated higher level of social networks than other associations. A KII has reported, "I knew few members, but now I know not only the all associational members but also their family members" (AR 1). Another KII has added, "By joining collective action regularly, I have made a good relation with all. I use it in the time of necessary" (AR 5). The same response is found from the other KIIs[20]. It is also observed that most of the members of all associations have increased their social networks through participating in collective action, visiting other members' home, exchanging goods, helping others in needs, attending meeting regularly and taking part in gossiping.

[20] "Last year we all got together in a picnic where I have made many friends (networks). I have used one of my friends to get a job for my child" (AR 11), "I have made well connection with all members" (AR 4). The participants of the FGDs have also added the similar argument, for example "We did not know each other before working together. When we formed our association, we introduced with each other. Now we all work outside the home—it was impossible for us because we are women— and resolve any problem if it is arisen" (FGD 7).

Trust

Trust is a vital part of social capital and a very interesting glue of collective action. As it is an asset of the people, it is highly connected with collective activities. People cannot work together within a distrust community. Now, it is considered as both a source (Putnam 1993) and effect (Adler 2000) of social capital. While social capital generates trusting relationships, the 'trust generated will' produces social capital. It is not produced simply; rather it is mainly created as a by-product of other activities, such as participation in social networks (Herreros 2004: 27). In addition to this argument, collective action is also a substitute for trust relationship. At least three elements are necessary to strengthen social trust. These elements are relationship (social networks), incentives (helping tools, like rules or norms) and trump (mechanisms) for building trusty environment. Social interaction, cooperation and reputation of expectation are the main incentives of trust. In this regard, "Constancy in friendships, attachments and familiarities is commendable, and is requisite to support trust" (Hume [1751] 1975: 209). Successful cooperation produces some degree of trust among the players. Accordingly, trust is generated and regenerated in an association through participation in social network, reciprocal helping attitude and reputation of mutual support behavior.

In the present study, higher level of trust is observed within the ADLS, FCS, LFMS, WWS, CLS, VSS and RPS respectively while the lower level of trust is found within the THU, PGPLS, HS and CCS respectively (table 5.3). According to a KII, "We have failed to make trusty environment in our association due to external-political handling" (AR 5). The KIIs have mentioned, "Collective action helps us to make a trustworthiness environment in our association" (AR 2, AR 8 and AR 10). This difference is created due to the difference in making social relationship, using incentives and utilizing appropriate mechanisms. The social relationship, motivation

to help each other and reputation of exchanging help (expectation and obligation) of the higher trusty association are really higher than that of other association. Moreover, the rate of participation in collective action by the members of lower level trusty is low in comparison with other OIAs. The participants usually use this trust in need. It helps the participants to meet the emergency. Accordingly, the participants opined that it works as an asset in their daily life.

Norms of Reciprocity

Norms are important tools for acting collectively. It—formal or informal—helps the members of an association to take required initiatives for strengthening social capital as well as collectivity. It not only facilitates certain actions but also constrains others (Coleman 2000: 26). There are many forms of norms, but norms of reciprocity play an important role on successful collective action. Its' formation and effectiveness depends on some level of symmetry or asymmetry among those who involve in social relationship or networks. According to symmetric relationships, people at first make trusting relationships among them, and then they makes creditable commitments and relies on generalized forms of reciprocity (Ostrom 2000: 177). In a reciprocal relationship, each individual contributes to the welfare of others with an expectation that others will do likewise (Oakerson 1993: 143). In comparison with the symmetric perspective, some norms are based on asymmetric relationships that are the natural attribute of a vertical organization. Such norms of reciprocity can be used to generate higher returns in future (Ostrom 2000: 177). Both forms of norms are important in overcoming the collective action problems as well as public goods problems.

Norm can be internalized in the actors or reinforced by external sanctions. Actors without mutual relationship or exchange of help do not capable to support each other for establishing sanctions that contribute to compliance with the norms. It is also coined and supported by socialization and sanctions (Putnam 1993: 171). Though the

establishment and maintenance of norms depends of social fabric influenced by every action of the actors, its' effectiveness relies on the process of rewarding and punishing for abiding the norms. Norms creating social trust decrease the cost of transactions and ease cooperation. The norms of reciprocity leads to a trusting behavior in situations people wouldn't normally adopt (Putnam 2000: 20-21). Accordingly, the higher level of trust, social relationship and initiatives makes the norms reciprocal in order to provide higher returns to the participants. By observing the surveyed OIAs, it is found that all associations have successfully formed reciprocal norms to act collectively and help each other for meeting the needs. These associations have also created appropriate environment based on norms of reciprocity in association with social networks and trustworthiness by implementing and continuing a process of rewarding and punishing

The types of norm accumulation vary across the OIAs. While some associations have applied reciprocal norms at higher level, the some other associations have implemented it at lower level. In case of norm formulating, the highest figure is found for the ADLS, FCS, LFMS, WWS, CLS and VSS respectively whilst the lowest figure is also located for the TKU, PGPLS, HS and CCS respectively (table 5.3). This difference in designing and implementing reciprocal norm is matched by the difference existed in needs and social capital among the OIAs. This variation is also found due to the difference existed in case of participation and empowerment between and among the associations. It is also observed that this difference is created due to having the difference regarding the system of rewarding and punishing among the associations. Those who are practicing this system are successful to create higher stock of reciprocal norms.

To conclude, successful collective action plays an important role in making social capital can poverty nexus by improving different forms of capital. The forms of capital are physical, human and social. While the physical capital includes the

income, savings and household asset, the human capital takes account of knowledge and skill. The social capital comprises network of relations, trust and norms. The accumulation of capital by the respondents varies from lower level to higher level across the associations, but capital accumulation is observed significant for all respondents considering their needs. In this point, participation and empowerment contribute a lot in capital formation. Among the OIAs, In case of capital, the member of FCS, LFMS, WWS and VSS respectively have accumulated it at higher level due to their heterogeneous background, higher stock of social capital and capacity to bridge networks with formal associations. Beside these associations, knowledge, skill, trust and norms of reciprocity have been improve at highest level by the members of ADLS, CLS and RPS respectively. As all respondents are able to increase their capital by participating in working together, it may be presumed that collective action and capital accumulation is correlated.

COMMUNICATION: BRIDGING NETWORK

Collective action and communication is correlated. The more one participate in collective action, the more she/he creates communication channels. Communication—both bonding and bridging—is an important element of cooperation and collective action. It arises from the people's capacity to connect with others for acting generously and cooperatively. The capacity provides means of how communication will be taken place. By these means, communication keeps people together to accomplish things (Uphoff 2000: 228). It is also presumed that communication can improve cooperation and collective action for many reasons. Among them, the most important reasons are: (i) it helps group members to better understand the situation in which the group cooperation is (de) formed, (ii) it allows the exchanges of promises and threats, and (iii) it can apply social norms, minimize social distance between group members and create a group identity (Oulsen 2009: 47) .

Communication may be direct or indirect. While direct communication refers to the personal contract, indirect communication indicated the connection that is occurred by the help of other person. Sometime it may be collective when a group of people communicate with others for achieving purposes. All types of communication are related with collective action, group unity and solidarity, but direct communication can play more significant role. Direct communication may be occurred through face-to-face interaction, sharing message—like, email—and hearing— by using telephone or mobile. Face-to-face interaction is the most effective mean at revealing other peoples' intentions and trustworthiness and fostering solidarity and group identity (Bochet et *al.* 2006; Brosig et *al.* 2003). Communication, especially face-to-face, facilitates coordination and cooperation and has lower transaction cost. The group size is important for communication. The small group in size means the higher amount of communication. Creating a group identity can give more cooperation within the group, but there may be less cooperation when individuals interact with out-group members. The overall effect on society's welfare can thus be negative.

Communication is the expansion of network. People usually communicate with others for sharing information, exchanging goods, taking help and getting access to the resources, services and opportunities. In doing so, people make networks or relationship through communication within and outside the groups. While the network that is created within the group is a bonding network, the network that bridges the connection with the outsiders of the group is a bridging network. Both networks are important for poverty reduction and development. As bonding network can help to mobilize reciprocity and solidarity, bridging network can be used to connect with external advantages and to guarantee the flow of information (Putnam 2000: 22). Whilst bonding network is good for getting through, bridging network helps to get

ahead (Souza and Briggs 1998: 1-13; Putnam 2000: 23). The idea of getting ahead is facilitated by bridging networks involving multiple communications which may help to get access to the resources and opportunities. By this way, bridging network creates multifaceted identities and reciprocity.

The bridging communication can be happened direct or indirect or collective ways. The success of gaining the purposes of communication depends on the way undertaken for communication. If the actors bridge the networks directly or collectively, it builds higher level of social capital between the actors and gives more access to the opportunities. However, it develops the capability and assets of the actors to take advantageous from the services and resources. This dissertation has explored communication in terms of the Member of Parliament (MP), Member of Local Government (MLG), Local Leader (LL), Local People (LP) and Non-Government Organization (NGO).

Member of Parliament (MP)

Member of Parliament (MP) of Bangladesh is as an important institution as an influential person. Since the MP is the people's representative of the parliament, s(he) is empowered to develop his/her constituency by implementing different types of activities. People usually bridge their network with the MP to take advantages for their wellbeing. Most of the respondents did not communicate with the MP last year. Around one fifth of the respondents bridged their networks with the MP last year to get enough access to the resources, services and opportunities. It is observed that the members of FCS and LFMS made their link with the MP because some members of these two associations are rich, educated and politically powerful. Accordingly, they used this capital for income increasing. A KII has opined, "We have some politically powerful members whose requests are not refused by the MP due to the fear of losing support and vote" (AR 2). Participant of the FGDs have told,

> "The MP has elected by our vote for doing something for us. He does nothing for us willingly. He is busy for himself. While we communicate with him, he does something for us. We communicate with him for taking financial benefit, aid and civic facilities, ensuring security in home and outside the home, rebuilding and maintenance the road, increasing political linkages, getting tender and job. Sometimes he refuses our request and sometimes he do something for us" (FGD 3 & FGD2).

Among those who communicated with the MP, some were successful and the other some were unsuccessful. Over half of them became successful to solve their problem. The other half were unsuccessful due to financial corruption, lacking of political connection, power and voice, and lack of connection with the administration. A representative of the association has responded, "The MP helps them who are the supporter of him. He is not interested to hear the voice of the poor. As we are poor and do not involve in politics, we never take any help from him" (AR 5). Though connection with the MP can add some resources in household wellbeing, most of the respondents never bridge their networks with her/him. However, the members of the FCS and LFMS collect different forms of capital through communicating with the MP again and again.

Member of Local Government (MLG)

Since the local government (LG) is empowered for local level development, the member of the local government (MLG) plays a key role on developing the local area. People link their network with the MLG for taking different sorts of opportunities, which help them for living. Over half of the respondents have stated that they had communicated with the MLG last year whilst around one third of them did not communicate. The members of PGPLS, CLS, HS and CCS did not communicate with them. The highest figure is found for the ADLS, FCS, LFMS and WWS respectively. The participants of FCS and LFMS respectively communicated personally—face-to-face communication—whilst the members of the other association made their

communication collectively or by the help of others. This variation in bridging networks with the MLG is occurred for the differences in stocking and using capability of social capital, maintaining political power, increasing household wealth and holding social status and by the difference in emerging needs across the associations[21]. In association with other capital, location has a significant influence in making this difference among the OIAs. Those members who live in a big city do even not know the MLG. So they never communicate with him. According to the participants of FGDs,

> "We communicated with the member of local government for collecting relief, VGF, aged allowance, citizen and birth certificate, taking financial help, ensuring security, renewing licence, allocation of working place and resolution of the conflict" (FGD 12, FGD 10 and FGD 4).

By making linkage with the MLG, the members take some advantageous for their living. In this case, the variation is found among the associations. Around all has successfully solved their problem by the help of MLG. The unsuccessful members have claimed that they did not get support from the MLG due to lacking of political linkages, failing to give money, corruption, and lacking of collective voice, power and money. The poor cannot use institutional supports for reducing their poverty because the MLG use it negatively[22], so many respondents did not fill interest to communicate

[21] Some OIAs are better than the other OIAs in terms of social capital accumulation, social status, political linkages, wealth and appropriate using of language. The FCS and LFMS consists of multifaceted people who have different identities based on social networks, wealth, social position, political connection, educational qualification and involvement in income earning activities while the other OIAs consist of alike people. In these points, the members of the FCS and LFMS are able to influence the LGO. Accordingly, the participants of these two OIAs made their link with the LGO personally last year. Since the members of other associations are poor and powerless, their stock of social capital is very low. They can hardy influence this office because they can neither play a role on LGO no raise their voice collectively. They communicated with this office by the help of others. As a result, the differences in making communication are observed across the OIABs.

[22] "The LGO are mostly corrupted and politically biased. The chairman, member and office stuffs always make their connection with the corrupted persons. We communicated with them in the past for getting VGD card, relief and help, but they did not help us. They worked in favor of them who gave them money, vote and political support. So they use this office illegally" (AR 1, AR 11 and AR 12). This is the fundamental cause behind willingness not to communicate with the LGO. Another reason is the lack of individual stock of social capital through which is unable to make a link with the LGO.

with this institution. A KII has opined, “I know very well the local government member. When I have gone to him for collecting relief, he wanted some money from me. I refused to give money, and for this reason I am exploited from the relief” (AR 1). It is concluded that those who have well connection with the MLG can accumulate different forms of capital, which may reduce their poverty.

Local Leader (LL)

Local leader is very influential person in the specific local area. As the position of her/his is very high in the community, s(he) can take and apply many decisions for the development of locality. For this reason, people bridge their network with the local leader. Over two-third of the respondent communicated with LL whilst around one third of them did not communicate with them last year. Most of them bridged their network with the LL for meeting the needs. Participants of FGDs have cited,

> “The LL play great role for the local development. (S)He is very influential person; as a result we go to him for taking advantageous. We went to him for increasing wage, ensuring security in the home and outside the home, collecting relief and VGF, taking financial help, making peaceful community and development of their community and were successful” (FGD 11, FGD, 5 and FGD 3).

While some OIAs communicate with the LL frequently, the some other associations do not. None of the PGPLS, CLS, HS and CCS respectively communicates with the LL whilst most of the members of the ADLS, FCS, LFMS and WWS respectively made a linkage with them last year. People go to them for two reasons: (i) solving the problems and (ii) taking benefits. Since the members of the PGPLS, CLS, HS and CCS respectively are poor, uneducated and powerlessness, they think they are poor for their fate. They always make adjustment with the problems. They discuss about it with the peer groups, but don’t feel interest to go to the LL. The members of the other four associations, cited earlier, communicate always with them for both problem

solution and benefit taking. Around half of them who communicated with the LL were successful to achieve their objects. Some of them were unsuccessful due to financial corruption, failure to give money, lack of political connection, poverty, lack of power and existing community level grouping.

Local People (LP)

Local people are the important source of designing collective action and social capital. Since the people live in the group or society, (s) he has to interact with other members of the society. In order to keep peace, harmony and solidarity of, and develop the society, the people take different collective actions. By participating in these activities, participants increase the social capital and take different benefits from the community. While people take part in the associational activities, they may bridge their networks with the local people. About one-third of the respondents communicated with local people whilst above two third of them did not communicate last year. Around all members of the ADLS, FCS and LFMS respectively and very little portion of the FLWS, TKU and WWS respectively made their communication with the LP. Nobody from the other association bridged their networks with them. It is observed that the some members of FCS and LFMS are rich and powerful and so they contributed their roles in developing the community. A KII has reported, “We have the responsibility to do something for the community. As we live with others, we communicate with the community people for making living condition peaceful” (AR 3). The other KII has informed, “I never communicate with local people because nobody hears my voice” (AR 6). “I go to my home at night, and then go to sleep. I never communicate with the community people because I never feel to ask their help” has been added by another KII (AR 12).

It is observed that the respondents bridged their communication with the LL for different reasons. The members of ADLS communicated for increasing wage whilst the members of the FCS and LFMS respectively made their linkage with the LL for many reasons, like resolving conflict, making peace, increasing political supporters, ensuring security, and rebuilding school and mosque in the community. By their collective efforts in association with the community members, they achieved their purposes successfully.

Non-Government Organization (NGO)

People, many time, make link with the non-government organization (NGO) for different purposes. These purposes are associated with different kinds of benefits. By bridging network with different NGOs, people take different opportunities for poverty reduction. In this study, it is observed that around half respondents communicated with the NGOs by the help of other person for receiving micro-credit. In this case, all members of the FLWS, TKU, WWS and CCS respectively received this loan whilst around half members of the ADLS, CLS, VSS and RPS respectively communicated with the NGOs. Only the members of the WWS communed for taking formal training. Since these members are poor and fail to meet the needs, they have to take loan from the NGOs. Hence, they communicated with these institutions as they can reduce their poverty. It is also observed that no members from the FCS and LFMS made their link with the NGOs because they had the capability to give financial support to the needy members.

In concluding, there is no significant relation between collective action and communication. The respondents do not bridge their network due to lacking of social capital, information and time, and because of poverty and powerlessness. Near about all members do not communicate with the MP, LGO and LP. Only a little portion of the respondents bridge their network with the MLG, LL and NGOs. The highest figure is

located for the communication with the NGOs because it provides them micro-credit. Since the respondents fell no interest to bridge their networks with other institutions, it may be assumed that there is a relationship between bridging network and poverty.

CONFLICT RESOLUTION

Conflict is a major indicator of perverse social capital. It comes from the exploitation, free riding, selfishness, and unequal distribution of benefits and power. It is often used as an indicator of distrust or bad social capital. Conflict, sometime, may be useful for the dynamism of an association. As such it must be seen as an output indicator. At the same time it destroys the social relationship, rules, norms, obligation, reciprocity and harmony of the association. Continuous conflict erodes not only social capital but also physical, human and natural capital. There are many mechanisms for resolving the conflict, but collective action is the fruitful mechanism for it (Krishna and Uphoff 1999: 50 and Grootaert and Bastelaer 2002:53). While people take decisions collectively, they can easily resolve the conflict. Hence, it is essential to assess the condition of conflict resolution in the association. It is measured by two indicators: conflict resolution condition and associational solidarity. The first is the main indicator whilst the second is an additional indicator that can help to understand the conflicting situation in the association.

Conflict Resolution Condition

The development and dynamic of an association rely on its conflict resolution condition. If the condition of conflict resolution exists negative in the association, the generation of social capital and formation of capital would be not positive. Each member in the group changes constantly through interaction with others. Most people feel a healthy ambivalence in regard to this. They wish to be involved, but at the same time they resist changes and desire to keep their identity as it. This struggle in the

individual between status quo and change has its parallel in the process of conflict and solution in the group. A group that shows no conflict is a dead one, indicating either an extinction of its member's individuality or a pretense at it—with deep cleavages. A group that is in constant conflict with no way of solving it is a sick one, giving no satisfaction to its members and keeping them in a state of insecurity and hostility (Konopka 1963: 63). Conflict solving is a major task of group, whether it concerns the sharp clash between inmates in a penitentiary, the hurting differences in a family, the gang fight of teenagers and the racial conflict in a neighborhood. The solution lies on an ascending scale of capacity in conflict solving. Group maturity can be measured partially in the way a group solves its conflicts and arrives at decision; conflict solving and decision making are similar processes since both involve a choice between alternatives.

Around one fourth of the participants opined that they had faced conflict in the association while about three fourth of them never face it. The constant conflict is observed in case of the TKU and CCS respectively. Due to lacking of a minimum level of social capital in these two associations, the group unity and solidarity is also observed very low. They never work collectively to resolve the problems, and thus they fail to make the association conflict free. Few conflicts are observed in the FLWS, PGPLS and HS respectively because the members are divided into subgroups for the development of benefits. Though these conflicts are occurred through debating among the members, they resolve it collectively when they feel it is necessary.

Deliberate conflict among the members is helpful for the development of the association, continuous conflict makes the association sick one. Social capital and conflict resolution is interlocked. It encourages people to act collectively through resolving conflict and collective action problem. Since most of the OIAs act by

collective decisions, there are fewer probabilities to form conflict. For these reasons, the ADLS, LFMS, WWS, VSS, CLS and RPS respectively are observed conflict-free.

The conflicts are arisen due to taking personal benefit, free-riding attitude and political connection. A member of OIA pointed out that they faced conflict several times because some members tried to take personal gain, be free rider and use political power (AR 5). Another member noted, “Attitude to gain individual benefit and free ride is the main cause of conflict”, (AR 11). Most of the members give their preference on free riding problem as the basic cause of conflict in the association.

As social capital lies in the collective action, it plays an important role on conflict resolution by encouraging the members to take decision collectively. Close to all respondents opined that they resolve their problem by collective decision. Though this picture is observed for most of the OIAs, the TKU and CCS respectively resolve its’ conflict alternatively. While the TKU solve it by the committee, the CCS minimizes it by the selected members. The level of social capital, as analyzed earlier, of these two associations is very low, their group harmony, solidarity and unity do not strengthen by collective decision; rather they take their decision by the external forces.

Associational Solidarity

Group solidarity refers the higher stock of social capital and lower amount of conflict, even no conflict, of the association. It is created when the group becomes harmonious. The members make the association or group conflict free by collective decisions and actions. The more the solidarity is the less amount of conflict in the association. The solidarity of the association is generated and regenerated by social capital and equal distribution of benefits. Solidarity depends only on the capability to act collectively. Collective action as diminishes the conflict as makes the unity within the association. Hence, the situation of a association in term of conflict can be understood by observing the solidarity of the association.

The existence of social solidarity means the absence of latent conflict and presence of strong social bond in the society. It refers conflict is arisen by social disorganization that destroys the social peace also. In order to ensure peace in the society, solidarity mitigates all forms of conflict between and among the people (Colletta and Cullen2000: 16). With the help of effective social cohesion, the associations or society may take necessary collective efforts in order to resolve or manage conflict before turning it into violent (Colletta and Cullen2000: 13). Accordingly, it is positively correlated with the performance outstanding and action formulations (Grootaert and Bastelaer 2002:89). In short, it is presumed that the weaker solidarity in the society makes the socialization channel (value formation) and social control (compliance mechanism) very weaker. Accordingly, associational solidarity and conflict resolution is correlated.

In this study, about two-third of the respondents have replied that their association is very much united, in other words a significant level of solidarity is existed in their association. According to around one-third of them, their associations are very less cohesive because there is continuous conflicts are existed. The associations in which solidarity is less presented are the TKU, PGPLS and CCS respectively. A significant level of solidarity is existed in all association, but the highest group solidarity is observed in the FCS and LFMS respectively. A KII has opined, “Solidarity is a rope for the association. If it breaks, water can no longer be drawn from the well” (AR 1). Another KII has mentioned, “Solidarity is our resource because we have captured vested land and want to keep it under our control” (AR 3). The participants of FGD have informed, “We all work together and keep our unity, and otherwise we will fail to meet our needs. Once a member faced financial difficulty to give his daughter in marriage, and he asked our help. We all took the

decision to give his all kinds of support. Nobody was absent in marriage ceremony" (FGD 7. So the fact discovered by the above findings that almost all OIAs has able to make a sustain label of solidarity among the members and thus they keep itself conflict free.

To summarize, it is observed that all associations excluding TKU and CCS are working as conflict-free. Social capital plays a significant role on the resolution of conflict. The higher the social capital is the lower amount of conflict. Social capital facilitates collective action and collective action. While the conflict is arisen within the association, it is resolved immediately by collective decision. Most cases, conflicts are occurred due to free-riding, opportunistic behavior and selfishness. The members reduce these tendencies by creating solidarity or unity in the association. They sometime suspend some members who try to free ride. Accordingly, it may be concluded that collective action and conflict resolution are linked with each other.

CONCLUSION

By exploring the nexus between collective action and poverty, this chapter brings together the findings of collective action process in case of OIAs. Although there is a presumption that collective action affects household welfare, there is another assumption that it falls in different problems due to free riding, individualistic behavior and selfishness. In order to diminish these problems, the second-generation collective action theory has come to front. This theory incorporates main elements of social capital, like social relation, norms, rules and culture. Hence, social capital plays an important role on collective action that, in turn, affect the level of poverty by producing different outcomes. The aim of this chapter is to assess whether it affects poverty and what factors do shape collective action successful. This chapter has examined the

collective action of a association by four routes. These are participation in previous collective action, capital accumulation, communication and conflict resolution.

Participation in previous collection action motivates the participants to involve in future actions. If the participants have positive experience, they would be obligated to take part in future actions. This obligation, many cases, is boosted up by the outcomes of previous collective action. Around all respondents participated in the previous actions collectively. They have also identified three important actions, which are related with increasing income, building social capital, meeting emergency and recreation. Except two associations—FCS and LFMS, all OIAs give emphasis on giving financial help to other for meeting emergency as second important and on picnic or sports on third important collective action. All respondent took part in the first important collective activity as compulsory whereas they attended in the second and third collective activities as voluntary. Between these two ways, voluntarily participation is the best option for the members of OIAs to build social capital and for capital formation. While people invest money, time and labor in collective action willingly or voluntarily, they think that it is their work. Participation in previous actions is correlated with the development of capabilities and resources. Finally, it may be said that the higher the participation in previous action is the higher development of capability and resources and thus lower amount of poverty.

There are three important forms of capital. These are physical, human and social capital. Physical capital includes income, savings and household asset whilst human capital takes account of knowledge and skill. Social capital refers to the network of relations, trust and norms. All respondents accumulate these three forms of capital by collective efforts at significant level, but the quantity of capital accumulation from lower level to higher level across the associations. With

considering the needs of the respondents, the capital accumulation—weather it is higher or lower in quantity—contributes a lot for the wellbeing. In accounting the amount of physical capital accumulated, the highest figure is observed for the member of FCS, LFMS, WWS and VSS respectively because of their heterogeneous background, higher stock of social capital and capacity to bridge networks with formal associations. In case of human capital, the highest accumulation is found for the member of ADLS, FCS, LFMS, WWS, VSS, CLS and RPS respectively because they attend the meeting regularly and exchange their ideas, experiences and information on regular basis. Social capital is improved significantly by all OIAs of Bangladesh, but the above seven association strengthen it at highest level. As all respondents are able to increase their capital by participating in working together, it may be presumed that collective action and capital accumulation is correlated.

Focusing on communication—which is called here bridging network—with other organizations, almost all respondents did not communicate with other association, such as the MP, MLG, LL, LP and NGOs due to lacking of social capital, information and time, and because of poverty and powerlessness. Few members from both the FCS and LFMS communicated with MP, MLG and LP last year to take different benefits while nobody of the other associations communed with the that organizations last year because they felt no need. Only a little portion of all respondents bridge their network with the MLG, LL and NGOs. The highest figure is located for the communication with the NGOs because it provides them micro-credit. Since the respondents fell no interest to bridge their networks with other institutions, it may be assumed that poor people have no access easily to these organizations.

With reviewing conflict resolution mechanism in the selected associations, most of the OIAs of Bangladesh used collective decision making mechanism. With the exception of the THU and CCS, all associations are conflict-free. Social capital helps

the members to keep them together. It works as glue to make unity among the respondents. If there is any problem arisen in any association, the members of the particular association resolve it immediately by making collective decision. The higher the collective decision is the lower amount of conflict. Again, conflict is arisen in the association due to free-riding, selfishness, unequal distribution of benefits and political influences. The members reduce these tendencies by creating associational solidarity in the association. The higher the solidarity is the lower amount of conflict in the society. They sometime suspend some members who try to free ride. Where there is lower level of social capital, there is higher amount of conflicting situation. However, social capital facilitates collective decision and collective action. Accordingly, it may be concluded that collective action and conflict resolution are linked with each other.

CHAPTER VI

IMPACT OF SOCIAL CAPITAL ON POVERTY

Social capital, as a new addition in development vocabulary, has been used as an important tool for any kind of development. The general characteristic of social capital is that it increases the stock of information, reduces opportunistic behavior and enhances people's capability to make collective decision. By exploring the potentiality of income rising by these three outcomes, there is a general agreement that social capital and poverty are correlated. It is, however, neither known whether and to what extent social capital affects poverty, nor is it known what factors do work in making social capital and poverty nexus in action.

This chapter examines whether and to what extent social capital affects the poverty of the members of OIAs. To make a judgment on the extent of social capital's effect, both the development of different forms of capability and capital have been analyzed in this chapter. Here, capability includes the ability to raise voice, to get access to the power, to be aware about rights and to meet the emergency, and at the same time capital encloses physical, human and social capital. The difference is existed between the development of capabilities and improvement of capital amongst the associations. The development of capital and capabilities depend on participation, empowerment and collective action. These three factors are interlocked and depend on each other. The combination of participation, empowerment and collective action show the variation of capability and capital development across the associations. The higher the rate of participation, empowerment and collective action the higher is the development of capital and capabilities.

The highest variation is existed in developing capabilities than in improving capital because capabilities reside in mind. The OIAs cannot give enough opportunities for improving capability in terms of voice, power, rights and emergency meeting, but they help the members to increase the capital from small to big amount. Participation in meeting with various agenda from economy to social issues, sharing information, collective decision making, previous experiences of collective action and conflict resolution mechanisms have significant effect on formation of capital and development of capabilities, and thus capital and capabilities help to reduce poverty. The respondents who have achieved higher stock of capital and capabilities are able to reduce their poverty significantly. To the end, this chapter argues that social capital link with poverty through not only income but capabilities and different forms of capital also.

This chapter has four specific sections. The first section has examined the role of social capital by revisiting the empirical studies. The second section has explored the development of capability—raising voice, accessing to the power, learning about rights and meeting the emergency—and improvement of different forms of capital—physical, human and social — through using social capital strengthened by the association, and analyze also the variation in improving capital and capabilities among the association. The third section has assessed the role of participation, empowerment and collective action on the development of capital and capabilities. The fourth section has scrutinized the impact of social capital on poverty. Finally, the chapter has made an overall conclusion.

ROLE OF SOCIAL CAPITAL ON POVERTY: EMPIRICAL STUDIES

Social capital is assumed as an important resource for poverty reduction and economic development. There are the presumptions that social capital reduces poverty by sharing information, making decision collectively and reducing opportunistic

behavior at individual or community or national level. Narayan and Pritchett (1997) show how high social capital is associated with higher household incomes in Tanzanian villages. With observing the Indonesian village's associations, Grootaert (1998) claims that the higher the social capital is the higher levels of household welfare. The higher stock of social capital enhances significantly the community development performance the villages of north India (Krishna 2001). It affects not only the micro level development but also the macro level development. It is found that national economic growth is higher overall in those countries where trust and social capital are higher (Fukuyama 1995).

There are the some other studies, which explore how higher level of social capital is associated with effective irrigation management (Lam 1996), improved environmental preservation (Rudd 2000), reduction of neighborhood crime (Sampson, Raudenbush, and Earls 1997) and higher industrial productivity (Fernandez, Castilla, and Moore 2000). It is also observed that effective democratic representation (Krishna 2000 and Uslaner 2003: 178) and stable ethnic peace (Varshney 2001) are also related to higher levels of social capital possessed by the community and society. It is the matter for national economic results and for regional institutional performance (Knack and Keefer 1997; Putnam 1993), and also for welfare of the community (Esman and Uphoff 1984; Uphoff 2000). It influences significantly the firms' profitability (Fernandez, Castilla, and Moore 2000), household income (Maluccio, Haddad, and May 2000) and individual well-being (Burt 2001; Coleman 2000; Lin 2001). From the highest to the lowest levels, poverty reduction has been shown as a positive result of social capital.

Focusing on individual development, it is considered as personal resources embedded within social networks. The individual can use it to facilitate particular actions for her/his individual benefit. Those who have better access to such networks

can improve individual well-being (Lin 2001). Following Putnam paradox, social capital is defined as an asset of the community. It is a functioning propensity for mutually beneficial collective action with which different communities are endowed to diverse extents (Krishna and Uphoff 2002). In this point, it is inferred that social capital plays a great role on community's development as well as poverty alleviation (Krishna 2002: 93-94; Meinzen- Dick, Raju, and Gulati 2002; Uphoff and Wijayaratna 2000).

At national level, it is measured by some aspects of social organization and formalized institutional relationships and structures—for example, governments, political regimes, the rule of law, court systems and civil and political liberties—for understanding the externalities of social capital. While the government social capital functions well, it enhances production and reduces poverty (Collier 2002: 37; Knack 2002: 46-48; Serageldin and Grootaert 2000: 46). These studies show that there is a relationship between social capital and development as well as poverty.

Although the role of social capital on poverty is well documented at individual, community or national level, the existing studies explore both social capital and poverty with different measures. Most case they forecast that social capital produces appropriate information, reduces opportunistic behavior and helps collective decision making through which it reduces poverty—especially income poverty. But they have missed to assess participation, empowerment and collection action as the issues of social capital, which increase not only different forms of capital—income is one of them—but also capabilities that get access the people to the services, resources and opportunities. The next section has discussed whether social capital increase capabilities and capabilities.

DEVELOPMENT OF CAPABILITIES AND CAPITAL: STUDY FINDINGS

Both capabilities and capital are related with poverty. For many days, it is presumed that poverty is occurred due to lacking of physical and human capita. Most cases, poverty, as income poverty, is explored and measured by income. The new idea capability causes poverty has been drawn attention of the scholars. Capability gives a central role to a person's ability to do the different things that she values doing (Sen 2009: 253). By developing capabilities, people get access to the resources and opportunities and learn how to use it. Truly, capabilities are associated with living standard of the people. Beside this agreement, income and wealth are often taken to be the main criteria of poverty as well as human well-being. With the failure of physical and human capital to alleviate poverty successfully, a fundamental shift in the poverty reduction paradigm has been expanded towards social capital (Dasgupta 2000). Thus, poverty depends not only on capital but also on various types of capabilities. With keeping these arguments in mind, poverty diminution has been scanned through both capability and capital perspectives.

Capability Development

Poverty is seen as a result of inability to do something. This inability push the poor away from getting access to resources, services and opportunities provided by the formal and informal institutions. The capability of the poor is poor due to lacking of information, skills, education and confidence. Capability is a person's potential to lead a certain life, while her functioning is the actual occurrences that can be aggregated to assess to what extent that person is able to lead that life (Wood and Sharif 1997: 65). The quality of life or poverty may be understood by observing the capabilities of the people, which lead one life over another. While the people have inability to take advantageous, they might be fall in the trap of deprivation and

vulnerability that define the poverty experience. In this sense of deprivation and vulnerability, the poor people's inability is the result of powerlessness, voiceless and marginalization in the society (Narayan *et. al*. 2000: 237).

As social capital encourages people to exchange ideas, experience and knowledge, to increase social interaction, cooperative and coordinative behavior, it may facilitate the development of capability of the people. The tri-issues of social capital—participation, empowerment and collective action—may play significant role on capability development that can reduce poverty of the people. Although there are many issues of capability, but its development is analyzed in terms of raising voice, enhancing power, learning rights, meeting the emergency.

Raising Voice

Poor are poor because they are voiceless. It is an important psychological dimension of poverty (Narayan *et al.* 2000:4). While people fail to raise their voice of needs, they are deprived from getting access to the services, resources and opportunities provided by the formal and informal institutions. While voiceless of the poor is reflected as an inherent process, the poor are exploited and cheated by the rich who act as a net to cut off benefits proposed for the poor. This exploitation makes itself easy due to the inability of the poor to bargain. Lack of voice is experienced not only in interactions with the state but also in interaction with the market, landlords, banker, moneylender and employers. Since social capital keeps people together, and makes cooperative and coordinative behavior among the people, it helps to improve the capability of the people, especially the poor, to raise their voice.

The respondents of this study have developed their voice raising capacity slightly. Close to all respondents has opined that they can now raise their voice to the leaders of the association and to the other authorities. A member of the OIA of

Bangladesh has claimed, “I did not talk with the land-owner before, but I can do it now slightly because I have learned it from the group meeting” (AR 1). Another KII has noted, “I can ask about the required information to the forest office without hesitation” (AR 3). So, some OIAs have improved their capability of raising voice a bit, which is observed insignificant while the some other association have increased it moderately. The table 6.1 shows the variation of raising voice across the associations. By analyzing the table, it is observed that the members of the FCS and LFMS respectively have improved their voice raising capability at higher level whilst the respondents of WWS and VSS respectively have developed it moderately. The figure is observed for the members of the other OIAs as a bit. This disparity is made by the difference in stocking and using of social capital among the associations. As it is found earlier that the level of participation, empowerment and collective action is high for the members of FCS and LFMS respectively, they have developed their capability of raising voice significantly.

Table 6.1. Level of capability development by the associations

OIAs	**Level of Capability Development**			
	Voice raising	Improving power	Learning Rights	Meeting Emergency
ADLS	A bit	A bit	Not at all	Above moderate
FCS	Above moderate	Above moderate	Moderate	Above moderate
LFMS	Above moderate	Above moderate	Moderate	Above moderate
FLWS	Moderate	Moderate	A bit	Above moderate
TKU	A bit	Not at all	Not at all	Moderate
PGPLS	A bit	Not at all	Not at all	A bit
WWS	Moderate	Moderate	A bit	Above moderate
CLS	A bit	A bit	Not at all	Above moderate
VSS	Moderate	Moderate	A bit	Moderate
HS	A bit	Not at all	Not at all	A bit
CCS	A bit	Not at all	Not at all	A bit
RPS	A bit	A bit	Not at all	Moderate

Source: Field Study

Enhancing Power

Poverty is a result of powerlessness. Due to lack of power, the poor people are deprived by the rich from the resources and services. They, often, fail to bridge their networks with formal institutions that are obligated to provide services for them. Powerlessness is considered as the inability to control what happens as the inability to plan for the future. It is discovered as imperative for focusing on the present (Narayan *et. al*. 2000: 36). However, it is important to empower the poor people for poverty reduction. If the poor have no power, they would not get access to the benefits, and thus they bound to live in the vicious cycle of poverty. By taking membership in the association, near about all respondents have reduced their powerlessness—in other words, they have enjoyed some power, but it is observed that their power improvement rate is very low. The capability development for improving power varies from association to association (Table 6.1). The figure is found as above moderate for the FCS and LFMS respectively whilst it is shown as moderate for the WWS and VSS respectively. In this case, the members of TKU, PGPLS, HS and CCS respectively have not developed it at all because they have failed to make unity among them. A KII has claimed "I have no power to talk before the owners" (AR 5). Another KII has added, "What is the power, I don't know. I always bow my head to the leaders" (AR 10). Another opinion has observed from another KII, "I never hesitation to talk with the powerful because I think that all members are with me. So I do not afraid of others" (AR 9).

The development of collective power is easier than the improvement of individual power. By using collectivity, some members of FCS and LFMS have been influencing others for many days. Collective power is related with collective decision and action. In many cases, it is observed that the respondents have used their

collective power for different purposes, for instances increasing wage, demonstration, boycott the work *etc.* Due to lacking of personal attributes, most of the respondents have failed to increase their individual power. The participants of FGD have opined, "We have no power to talk in front the rich, like the chairman. We are afraid of them. We do not like to talk with them because they do not want to hear us due to our miserable situation. We do not know what they are writing and doing" (FGD 1). From the above discussion, it may be concluded the members of the FCS and LFMS have developed their power exercising capability significantly as they have stocked higher level of social capital.

Learning about Rights

As human being, the poor needs some rights to live. The government of Bangladesh provides some rights for the poor, but they are hardly informed about the rights. Due to lack of information about the rights, the poor seldom raise their voice for poverty reduction. It is essential for the poor to learn the rights that are provided by the government for them. While the poor become informative about their rights, they will create collective pressure to implement the rights. The poor think that their poverty is inherent. Nothing can be done by others to alleviate their poverty. Accordingly, it is necessary to learn what rights are set for them and how these can be achieved. In this case, roughly two-third of the respondents is totally illiterate about their rights. Although one-third of them have claimed that they have learned it in associational meetings, this information makes itself dissimilar with the observational information. It is observed that nobody knows about what rights are available for them. The members of the FCS and LFMS respectively have learned it moderately by joining in the association (Table 6.1). As some members of these two associations are educated and informative, they can disseminate it easily among the members. The members of

the other OIAs have not learned it at all because none of them know it. A KII has mentioned, “I know nothing about my rights”(AR 12). Other KIIs had added, “This is the first time when I hear that the poor have some rights” (AR 1, AR 5 and AR 10). From these information, it may be said that the respondent have failed significantly to learn the rights that are provided by the government of Bangladesh.

Meeting Emergency Needs

Meeting the emergency or facing the risk is the part and parcel of the poor’s life. Since the poor are unable to meet their basic needs—food, cloth, shelter, health and education—for maintaining their daily lives, they fall in different risks, for instances: ill health, unemployment, death of income earner in the family, daughter’s marriage, natural disaster *etc* at different times. They have to expend additional money to meet the emerging emergencies. Hence, they usually cut short of their daily expenditure or go under miserable situation or vulnerability. Most time it creates sudden poverty to them who fails to meet the emergency by her/his earnings. While some people come out of poverty, the cost of emergency meeting pushes them again under the poverty. This is one kind of poverty cycle.

This study has examined how the respondents meet their emergency or whether the respondents improve their capability to meet these emergencies. It is observed that the respondents have built up norm of reciprocity in their associations for mutual support. While one member falls in crisis, all members face it collectively. Close to all respondents has claimed that they have improved their ability of emergency meeting. There is variation in this case is also observed across the OIAs, which is presented the table 6.1. It is shown that two quarter of the OIAs, except PGPLS, HS and CCS, has extensively developed their capability to meet the

emergency. The member of the PGPLS, HS and CCS respectively has increased it a bit. The mechanism through which they resolve their emergencies is reciprocal help. It is also observed that near about all respondents have taken financial support from the associational members in this case. Though they usually take the help from the relatives, friends, neighbors and owners, the members of the associations play the most important role. All respondents have replied that they exchange the help because they fail to meet the risk. According to the KII, "When I was unemployed, I found a work by a member" (AR 1). "I have ensured security of my business with the help of a member who involved in power politics" (AR 2). "I have taken help of our chairman to find a job for my elder son" (AR 3). "My colleague helped me by money and labor to marry my daughter at off season" (AR 4). "When I sent my son abroad, I took money from my members" (AR 7). "I took finance to enroll my child in school" (AR 8). "When I was ill, everybody gave me money and mental support" (AR 12). The above evidences infer that reciprocal help is correlated with the potentiality of meeting emergency. It may also be concluded that the capability of emergency meeting has been improved significantly by the respondents.

To conclude, development of capabilities varies from association to association because it depends on the ability of the association to provide opportunities. Since the FCS, LFMS and WWS have provided different opportunities, such as information, networks and mutual support, the improvement of voice, power and rights related capabilities is found higher for the members of these three association than the members of the other association. In case of meeting the emergency, the result is observed same for all associations.

Capital Formation

Capital is an essential part of measuring the living standard as well as poverty. The poor are poor because they live with minimum capital. Due to lacking or small amount of capital, the poor fail to meet their basic needs, like food, cloths, shelter, health care and education. As they are deprived from formal institutions to fulfill their needs, they have to depend on informal networks, trust and norms. They often relieve their needs and risks by the help of others. By this argument, it is said that the higher the stock of capital the lower is the amount of poverty. The rich have higher stock of and capability to use social capital than the poor. By using social capital—social networks, trust, norms of reciprocity, the rich gain more access to the resources and opportunities, and thus accumulate different forms of capital through which they enjoy all requirements for living above the poverty line. Accordingly, it is assumed that there may be a relationship between social capital and capital formation/development. There are many forms of capital. The popular forms of it are physical and human, but social capital has recently added in the vocabulary of capital. It is presumed that there is a significant role in creating physical and human capital, but the fact is that social capital not only increase the physical and human capital but develop the existing social capital also. This study, nonetheless, has explores the impact of social capital over the development of capital including physical, human and social capital.

Physical Capital

Physical capital is the most popular form of capital. It is the stock of human-made material resources that can be used to produce a flow of future income. If the material resources are useless or fail to produce a flow of income, it would be not

included in the forms of physical capital. It exists in a widely variety of forms including income, buildings, roads, tools, cattle, animals *etc*. Although there are many forms of physical capital, it is widely used and measured by income, savings and household assets. The flow and exchangeability of physical capital are understood by both the income and savings. While an individual earns higher income and deposits large amount of money for savings, it indicates that her/his stock of physical capital is higher. The same argument can be said for household assets. The origin of physical capital is the process of spending time and other resources constructing tools, plants, and facilities that can, in turn, be used in producing other products or future income (Fielder 1973 cited in Bates 1990:155-156). By taking the potentiality of future income by physical capital in mind, this study has analyzed physical capital in case of income, savings and household income.

Income

Income is the fuel of everyday living. It determines the level of poverty. Who live under the poverty line is considered as poor. While people act together or participate in the association, the income of the participants is generally increased because they distribute their benefit equally. Most of the respondents have said that they have increased their earnings by joining the associations. It is observed that the respondents participate in the association and work together to achieve a common interest. Social network, trust and norms facilitated and created by the association encourage the participants to distribute their benefits equally. The more the participation in the association the more is the amount of income. The income increasing varies proportionately across the associations, which is shown

in the table 6.2. While the members of the FCS and LFMS respectively have increased income a lot, the members of the CCS have not improved it at all. The members of the other associations have increased it moderately. It is observed that the income generation depends on the purpose of the collective action and upon the stock of social capital. Social relationship, trustworthiness environment and norm of reciprocal help are found high among the member of the FCS and LFMS respectively. With the help of social capital along with same location, political connection and objective for future, they organize different income generating activities by collective decision, and so they have increased their income at significant level. The FCS makes decisions in order to take some actions for water distribution and water selling in agricultural field. The LFMS make actions for plantation and caring of trees. In this point, their existing social capital creates a trustworthiness and conflict-free environment among them so that they can act collectively. Beside these, these associations have the access to the opportunities—inclusion in services—and bridging networks, which they can use at the time of need, and earn a lot of money. By these actions, the members of these two associations have achieved income at highest level.

A KII has said, "I earned around eight lacks taka last year by selling the trees" (AR 3). A member of the other association had the opinion, "I was often unemployed in the past. After joining the association, I feel no difficulty to find out a work because everybody helps me" (AR 8). The participants of FGD have informed,

> "Once we buy a deep tube-well from the BRDP office on the basis of installment. We cultivate our lands and sell water to others. By working together, we have already paying back all installments to the BRDP office. Last year, we bought a Pick-up van for doing business cooperatively" (FGD 2).

By triangulation the evidences, it is found that most of the respondents have able to increase their income at minimum level. Their improvement in this regard is less that the members of FCS and LFMS, but the contribution of this income on their daily life is significant. This small amount of improvement in income helps them to maintain their family.

Savings

Savings as a form of physical capital is important for improving the well-being. It plays an important role as risk management and future development tool; it can offer an insurance mechanism against income shocks also. Savings are drawn only depending on the information about what is bought and sold at what prices. If the expenditure goes over the income, it is hard for the poor to save money regularly. People deposit money as savings in formal or informal institutions for the future or increasing household assets. At one side, the savings depend on the balance between income and expenditure. If the expenditure is higher than income, the poor cannot save the money. At other side, appropriate planning is needed for savings.

While a person do not think for her/his future, it is hard for her/him to deposit money as savings. Social capital enhances both income and planning by sharing information, reducing opportunistic behavior and making collective decision. A KII has opined, “I have watched a dream for the future by interacting with others in the association. This dream encourages me for savings” (AR 9). Saving plan—dream—is important for future development. As social capital helps the participants to exchange ideas, experiences and information, it can provide required input in saving planning. It is observed that the respondents save their small amount of money in two sources. The first source is the association whilst the second source is formal institutions, like government or private Bank. All respondents save a small amount of money in a collective fund of the association whilst few of them choose formal institution,

especially government Bank for installing money as savings. The trend of saving varies from association to association. The table 6.2 presents the variation of saving across the OIAs. The highest figure of increasing the saving is observed for the FCS, LFMS, WWS and VSS respectively whilst the lowest numeral of it is located for the ADLS, TKU and PGPLS respectively. The other associations have increased their ability of savings moderately. This difference is observed in terms of quantity of saving within association and investment in formal Banks. In case of internal savings, the earlier four associations save money from TK fifty to TK one hundred twice in week while the latter three associations save only TK ten in a week. Regarding saving in formal Bank, the members of the earlier four associations has saving accounts and deposit money regularly because they are rich and educated.

It is also observed that the income, ability to make collective decisions and organize collective action of the earlier four associations' members are higher than that of the other associations' members. When the members of these four associations started to make benefits, they decided to deposit money as savings, it was their collective decision. According to the KIIs, "Opening a saving account and depositing money regularly is our collective decision. When one fails to deposit, someone of us would help him. If he discontinues or stops his saving, he would be excluded from the association" (AR 2 and AR 3). Group decision and norms play the key role in this case. Another KII has added, "I never knew how I could save my money. Once a group mate discussed that we all should save money. From then, I have been depositing money in my savings account" (AR 7). The members of the ADLS, THU and PGPLS never discussed it among them, and they do not create any internal saving fund. Moreover, they expend their income totally for daily expenditure. None give them advice to save money. Accordingly, they fail to savings.

Table 6.2. Improvement of physical capital

OIAs	Improvement of physical capital		
	Income	Savings	Household assets
ADLS	A bit	Not at all	A bit
FCS	A lot	Moderate	Moderate
LFMS	A lot	Moderate	A lot
FLWS	Moderate	A bit	A bit
TKU	A bit	Not at all	Not at all
PGPLS	A bit	Not at all	Not at all
WWS	Moderate	Moderate	Moderate
CLS	Moderate	A bit	A bit
VSS	Moderate	Moderate	Moderate
HS	A bit	A bit	Not at all
CCS	Not at all	A bit	Not at all
RPS	A bit	A bit	Not at all

Source: Field Study

Household Resources

Household resource is another type of physical capital. It also determines the living standard of the people. In case of rural areas, family income depends mainly on household resources. It is said that s/he is rich who have ample stock of household resources. As people exchange goods, knowledge and information with each other, and help each other to relieve the emergency, they can improve their household resources. The increased rate of household resources by joining the association or social capital is shown in the table 6.2. The table presents also the variation of increasing household resources across the OIAs. Around half of the respondents have claimed that they have added some resources with their household property. Among the associations whose members have improved household assets, there is a variations observed in terms of a lot, moderate and a bit. Regarding household assets' improvement, the members of the LFMS have boosted up it a lot whilst the members of FCS, WWS and VSS respectively have increased it moderately. The figure is

located a bit also for the member of ADLS, FLWS and CLS respectively. But the interesting finding is that no member of the TKU, PGPLS, HS, CCS and RPS respectively has developed their household assets.

The difference in improving household assets is occurred due to the difference in accessing to services and opportunities, making bridging networks and stocking social capital and because of having difference in making benefits across the associations. As said earlier, the member of the LFMS have higher rate of participation, empowerment and organizing collective action and heterogeneity within association. They also have higher access to the resources and opportunities, and bridging network. Accordingly, they can receive higher benefit by participating in the association. By the help of these factors, they have been capturing the *Salbon*[23] plot for eleven years. After taking care of trees for eleventh years, they have earned huge amount of money by selling trees. They have used this benefit to increase household assets. A KII has replied, "I earned around TK. eight lacks last year. I have bought a piece of agricultural land and hired a place in Bazar (shopping place) for doing business", (AR 3). Another KII has informed, "I have bought a Television by the benefit provided by the association" (AR 8). It is observed that the respondents add land, investment in business, television, Almirah, cow, duck, sewing machine, ice-cream making tools, rickshaw and so forth. Though the quantity of increasing household assets varies among the OIAs, the quality of this improvement is about same are different, in other orders it provides similar contribution to the members in accordance with their needs. The participants of the FGD have said,

[23] One kind of small hill situated in Commilla district of Bangladesh. It has been being controlled by the Forest Department of Bangladesh. This department divided it into small plot in order to distribute it among the landless people by creating small group for tree plantation. But the rich, influential and landlord people captured it illegally by corruption and using political power. As they use these plots collectively, they create a higher level of social capital among them.

> "We are poor. We have no alternative source of income. By receiving money/benefit from the association, many of us buy cow for raising income. Among them, two members have been receiving additional income from the cows. You can say these assets are very little, but it is important for us. We see our future in these assets and meet our emergency by these assets" (FGD 7).

With revisiting the evidences, it is found that the member of the FCS has increased their household assets significantly by the help of social capital, collective action and heterogeneous attributes of the members.

In concluding, the respondents have increased their physical capital. The increase of physical capital is significant for all respondents in the sense that it plays important role on their daily expenditure. With considering the quantity of improvement, the evidences vary among the associations. The member of FCS, LFMS and WWS has increased their amount of income and savings at higher level whilst the members of VSS along with the members of the above three association have improved their stock of household assets significantly.

Human Capital

The concept of human capital is the extension of physical capital. It is created by changes in persons that bring about skills and capabilities. The acquisition of human capital improves the condition for an individual to act in a new ways (Coleman 2000:19). Social capital enhances the investment in building human capital through interaction and collectivity. Coleman (2000) shows that social capital and human capital are correlated. There are many forms of human capital. For example, formal education is a different form of human capital than the skills and experiences of a day laborer. The form of human capital depends on process of conceptualization. It one intends to analyze it through health or education, human capital would include both health and education. Since it lies in people's mind, human capital includes acquired knowledge, skill and experiences that an individual brings to an activity (Ostrom 2000: 175).

Focusing on the role of social capital in creation of human capital, the existing studies show that social capital—closure network—determines the quality of and dropout from education. Social capital is significantly associated with the improvement of human capital. The increase of human capital depends upon the capability to use social capital in time. It is presumed that one unit increase in the investment of social capital improves the human capital at significant level ((Meyerson 2000:294. It increases not only the rate of formal education—form of human capital—but the quality of education also (Coleman 2000: 32). The knowledge, skills and experiences—forms of human capital— are enhanced by copying or pooling or the both mechanisms in the process of sharing and exchanging. Human capital may be improved either consciously or unconsciously. Conscious improvement takes place for school education and institutional training whilst unconscious development occurs through interaction and sharing experiences. Social capital can play the key role for the both improvements of human capital**.**

Due to the lacking of time, energy, money and information, the poor people can invest fewer resources in order to enhance human capital. They drop out from formal education and training because of either poverty or lacking of access to it. Association, however, is presumed as a source of exchanging human capital. By taking membership in the association, the members exchange their knowledge, ideas and experiences with each other. Association, at one hand, help the members to expands their networks; it at other hand opens the door to enrich their stock of human capital—knowledge, skills and experiences—through regular interaction, discussion and gossiping. The human capital is always not produced self consciously; rather it is improved by the results of other activates or resources, like physical and social

capital. Hence, it is important to know what extent social capital improves the human capital. This dissertation has answered of this question by categorizing human capital into knowledge, skill and experience.

Knowledge

Knowledge is an important form of human capital. It is said that a knowledgeable person is rich than a non-knowledgeable person. It provides appropriate information and channels to get access to the resources and opportunities. By using these resources and opportunities, a knowledgeable person can earn a lot of money. As a result, knowledge plays a vital role on the living condition. It is accumulated by different ways: formal and informal. The formal way includes school education, training, print and electronic media *etc.* whilst the informal way contains discussion, gossiping, meeting of the association and so on. It is observed that the respondents use informal way to accumulate knowledge. Near all respondents has claimed that they has improved their stock of knowledge by participating in the association.

Although the respondents have gathered knowledge significantly, the variation is also observed from association to association. The difference in stocking knowledge among the OIAs is presented in the table 6.3. While the highest figure (a lot) of stocking knowledge is observed for the members of the FCS and LFMS respectively, the lowest figure (a bit) is discovered for the members of the ADLS, TKU, PGPLS, HS and CCS respectively due to lacking of informative, educated and powerful member. The rest of the associations have disseminated it moderately among the members. Both the FCS and LFMS are consisted of those members who have different backgrounds and information. Some of them collect important knowledge from their bridging networks. They share all information with all in both formal and informal meeting. Nevertheless, they have formulated a rule that they

would exchange different types of knowledge at least once in a week. Due to practicing this rule or norm, they have stocked a lot of knowledge. A member of the LFMS has said,

> "Everybody of us is bound to share what he knows. I am less informative person in my association. With participating in both formal and informal discussion, I accumulate the information, and thus I have developed my stock of knowledge, for example now I know which school is better and cheap for my child's education"(AR 3).

Another representative of an association has informed that he knew nothing about when the price of good will be increased. Now he learns it from the others. It he has additional money in hand, he buy necessary goods before increasing the price (AR 12). "I learn about the appropriate time of making seed-bed because I faced difficulties last year to make seed-bed due to climate change" (AR 1). Form the above information, it is concluded that around half of the respondents have increased their knowledge. The highest knowledge stocking is located for the FCS and LFMS, but the importance of collecting knowledge is important for all. In case of stocking knowledge, bridging networks along with other factors plays an important role.

Skill

Skill is another form of human capital. It is the capability for doing anything including work. It is said that an unskilled worker is a burden for any occupation. The productivity of any work depends on the skill of the workers. As the respondents of this study involve in different kind of occupation, their income or wage is associated with their skills. As said earlier that most of the respondents develop their skills though learning by doing, not by the formal training. Three quarter of the respondents has improved their skills by sharing information, ideas and experiences in the meeting of the association. While a skilled member exchanges her/his view on particular technique of any work, they copy it and try to apply in the occupation. There is some

variations is observed across the OIAs, which is shown in the table 6.3. The figure is presented a lot for the FCS, LFMS, WWS and CLS respectively whilst it is shown a bit for the TKU, PGPLS, HS and CCS respectively.

This difference is occurred due to having the differences in bridging networks, gathering informative and experienced members and making cooperative environment across the OIAs. Some members of the FCS, FMS and WWS respectively are informative and have taken formal training on their particular occupation—for example, the members of the FCS on how to use modern technology on agriculture, the members of the LFMS on plantation and the members of the WWS on homestead business— and they have shared all learning with other members of their association regularly. In case of CLS, some are experienced and have been working in construction sector for many years. By exchanging experiences, they help to improve the skill of other members. For these reason, these OIAs have developed their members' skill significantly. A member of the association has viewed clearly, "Truly, I have taken training on tree plantation from forest department. Then I exchange my learning with all in a meeting, even I teach somebody in the field" (AR 3). "We did nothing, except household work, before joining the group. Now we learn how do homestead business, like shopkeeper, making ice-cream and sewing work" has been added by another KII (AR 7).

The opposite figure is located for the TKU, PGPLS, CCS and HS respectively. The members of these associations learn everything by doing in their particular occupation. They receive nothing about their occupational skill from the association because they fail to make unity, strengthen social capital and resolve conflicting environment in the association. A KII has mentioned, "When you always make a quarrel with others, it is impossible for you to share anything with them" (AR 5).

Another KII has opined, “No intimacy is created among us. So, I do not know about what I have learned from the association” (AR 11). It is observed that social capital plays the key role in making the difference of skill improvement among the association. If the members do not interact with each other, establish a norm of exchanging, and trust each other, they fail to develop their skill by the association. Hence, it may be concluded that existing social capital and skill development is correlated.

Table 6.3. Human capital development

OIAs	Improvement of human capital		
	Knowledge	Skill	Experience
ADLS	A bit	Moderate	A lot
FCS	A lot	A lot	A lot
LFMS	A lot	A lot	A lot
FLWS	Moderate	Moderate	A lot
TKU	A bit	A bit	A bit
PGPLS	A bit	A bit	A bit
WWS	Moderate	A lot	Moderate
CLS	Moderate	A lot	A lot
VSS	Moderate	Moderate	A lot
HS	A bit	A bit	Moderate
CCS	A bit	A bit	Moderate
RPS	Moderate	Moderate	Moderate

Source: Field Study

Experience

Experience is a resource to the people. It is a form of human capital. An experienced person is skilled to do something through which (s) he can increase income. Knowledge and skills may be uplifted by sharing experiences. The members of the associations always share their experiences with each other. When they face difficulties, they ask help of an experienced member. According to the participant,

experience is a resource to them. Close to all respondents have increased their stock of experiences significantly, but it is observed that experience gathering varies from association to association due to the level of social capital (Table 6.3).The members of the PGPLS are exceptional in this case. They have gathered experience a bit whilst the members of the WWS, HS, CCS and RPS respectively have stocked it moderately. The figure is also observed a lot for the other associations. The members of the PGPLS do not interact with each other regularly and trust each other. Their stock of social capital is very low. Hence, they have stocked different experiences in a small amount. The participants of FGD have reported,

> "Experience is a resource to us. We are always careful about it. While we discuss about a problem in the meeting, we exchange our experiences and make a plan to resolve it. Excluding formal meeting, we share also our experience at the time of gossiping. Truly we live and work depending on experience. In this point, association gives us a chance to increase our stock of experience", (FGD 1 and FGD 7).

A KII has added, "Once I was in a problem with my wife. While I shared it with others in the meeting, a member gives me advice by telling his experience. His advice helps me to solve the problem" (AR 8). The members share their experiences regularly with each other. It is observed that most of the experience sharing is occurred in the time of gossiping in tea stall after evening. "Experience is a resource to me. I have increases huge experiences by joining the association" has been added by another member (AR 4). From the above evidences, it may be said that around all respondents have increases the stock of experiences by joining the associations.

In concluding, it may be assumed that social capital plays a significant role in creation of human capital. All respondents have developed their stock of human capital by the help of social capital, but the rate of improvement fluctuates from association to association. Regarding the stock of knowledge, the highest

improvement has been done by the members of the FCS and LFMS respectively. As the respondents learn everything by doing, the improvement of skill has the same weigh for all associations. The members of the FCS, LFMS, WWS and CLS respectively have developed their skills outstandingly than the members of other associations because they have taken part in formal training about which they knew nothing. In case of sharing experiences, the evidences are found significant for all respondents and all associations. By combination of knowledge, skills and experiences, the highest improvement is located for the members of the FCS and LFMS respectively.

Social Capital

Social capital is the third form of capital. It has, as said earlier, many meanings to many people. Most influential definition of it is provided by Putnam as "features of social organization such as networks, norms and social trust that facilitate coordination and cooperation for mutual benefit (Putnam 1993:67). Social capital includes those elements which hold the society together and provide different outcomes for the wellbeing of the people. The general consensus is that it contributes remarkably in creating physical and human capital, but there is a missing that social capital may play significant role in strengthening the existing social capital also. The more one use it the more s/he increases it. The improvement of social capital has been examined by exploring three elements: social relations, trust and norms of reciprocity. These three elements are imperative for realizing the formation of social capital through participation in the association. The higher the participation in the association the higher is the stock of social capital.

Social Relations

Social relation is a system of communication channels, and protecting and promoting personal connections for receiving benefit. It generally refers to the specific types of relations linking defined set of people, objects or events (Knoke & Kuklinski, 1982 and Putnam, 1993 cited in Blanchard & Horan, 2001). Social relations have multiple outcomes depending on the channels that are used by the participants. Due to the outcomes of social relations, it is presumed that social capital is the relationships between individuals and groups. Social relations have two forms: bonding and bridging. Bonding relations occur when homogeneous people enter into the network of relations. While relations are created within heterogeneous people, it is bridging relations. Both forms of social relation are influenced by direct and indirect ties. As social relation is directly related with the access to the resources and opportunities, people make their social relations—either bonding or bridging or the both—through direct or indirect ties. The personal ties or relations begin or increase though taking part in associations. Hence, social capital can be used to strengthen social relations.

In this study, it is found that close to all respondents have developed or expanded their social network by joining the association. The table 6.4 show that social relations have expanded significantly for all OIAs, excluding PGPLS. The highest close relationship and bridging network is observed for the FCS, LFMS and WWS respectively. The other associations have improved its members' relation moderately. According to the table 6.4, it may be assumed that there is a close relationship between social capital and social relations. Except the FCS and LFMS, all associations are homogeneous and provide enough opportunities for its members to make bonding relations. The opposite fact is observed for the FCS and LFMS respectively. These two associations are heterogeneous and give abundant chances to

its members for bridging network with others. All associations have developed their social capital significantly, but the difference in improving social relations varies across the association due to the background of the members, capability to make birding network and internal environment of the association. However, the fact is that the participants have increased their social relation qualitatively and quantitatively through the association. A KII has argued, “I knew half of us physically. Now I know not only every member with name but their family members with name also. I have to maintain connection with some powerful members of the village due to joining the association” (AR 7). Another KII has mentioned, “Now I am closely related with each other. I have made also relations with the MP and Union Parishad (local government) chairman by indirect ties—political supporter who is a member of us” (AR 3). These evidences give a clear idea about the development of bonding and bridging relations.

There are some other members or associations who have increased their bonding relations only. In this point, a KII has opined, “I knew everybody, but I had no relation with them. Now everybody think for me. When I face difficulty, they help me willingly” (AR 1). “Nobody was known to me. Now I have good relation with all, even i exchange money and goods with some members” has added by a member (AR 8). All members of all OIA come very close to each other and make strong social relation for gaining equal benefit. The participants of FGD has replied,

> “We are poor. We come in this city for looking work from different places of Bangladesh, and so we all are unknown to each other at the first time. Though some of us work together, but did not look at others condition. After forming the association, we think we are the member of a family. We are united and closely related. We now visit our member’s home by turn” (FGD 12).

To conclude, it may be said that the participants have developed their social relations (bonding relation) significantly whilst the some other member have increased their bridging relations outstandingly through the association.

Trust

Trust is the central point for any kind of development and capital formation. At one end, it is reinforced by dense network of relations, the other end it form the structure of social network. Trust is built and rebuilt among the people by three mechanisms. These are: familiarity, reputation of exchange and sanction. Through these three mechanisms, it helps to produce socially efficient outcomes and to avoid inefficient non-cooperative traps by reciprocal cooperation. It affects also the social networks and norms, at the same time social networks and norms may affect the level of trust. Participation is the association may generate trust through reputation of expectation and obligation. The expectation and obligation of social networks and reciprocal norms may encourage people to organize collective action, make collective decision, share information and make equal access to the resources, services and opportunities. Thus, trust link with capital formation and level of poverty. Close to all respondents has said that they trust each other by joining the association. It is also observed that around half of the respondents' trust level is good whilst one third of them distrust others.

The level of trust created by the respondents varies from association to association, which is shown in the table 6.4. The members of the FCS, LFMS, FLWS, WWS, CLS, VSS and RPS respectively have improved trustworthiness environment significantly among them whilst the members of the ADLS and HS respectively have developed it moderately. The rest of the OIAs have improved it, but insignificantly (Table 6.4). In case of increasing trust within the association, the difference is observed among the OIAs because of having the variation in experiences, exchanging something, sanction by the authority and stocking social capital. A KII have replied

> "Trust is my resource. I trust everybody in my association because I exchange ideas, knowledge, information and goods with others. I do help you in meeting your emergency, but you give nothing to me in my emergency, then how trust will exist between You and I" (AR 11).

Exchanging is an important tool of making trust. Another KII has opined that trust is the fuel of his life, so he has improved his trusty identity before all members (AR 6). "I trust everybody" (AR 1). The important evidence had provided by another member, "When I go out, I keep my business under my colleague" (AR 9). Since the respondents think that trust is resource to them. They have joined in the association in the hope of making a trustworthiness environment among them. Accordingly, it may be concluded from the above evidences that the respondents have increased their level of trust significantly.

Norms of Reciprocity

Norm of reciprocity is considered as a form of social capital. It is the key player of and works as an engine of collective action as well as capital formation. People give up free riding, opportunistic and selfishness behaviour due to shared norms. They also act collectively for mutual benefit inspired by the norms of reciprocity of the association (Coleman 2000: 23). Collective decision and reputation of trust and social relations form the fabric of the norm of reciprocity (Dasgupta 2000: 341). The presumption is that reciprocal norm is reinforced by reward and punishment. The effectiveness of the both reward and punishment depends on the social sanctions and incentives—social support, status, honour and rewards—provided by the society. If there is a system of reward-punishment-based norm in the society, the people would like to practice it again and again. As the association make its decision jointly, they have established reciprocal norms for the benefit of its members.

Table 6.4. Improvement of Social Capital

OIAs	Improvement of social capital		
	Social relations	Trust	Reciprocal norms
ADLS	Moderate	Moderate	Moderate
FCS	A lot	A lot	A lot
LFMS	A lot	A lot	A lot
FLWS	Moderate	A lot	A lot
TKU	Moderate	A bit	A bit
PGPLS	A bit	A bit	A bit
WWS	A lot	A lot	A lot
CLS	Moderate	A lot	A lot
VSS	A lot	A lot	Moderate
HS	Moderate	Moderate	Moderate
CCS	Moderate	A bit	A bit
RPS	Moderate	A lot	A lot

Source: Field Study

In this study it is found that near about all respondents have learned how to make and use norms of reciprocity in the time of needs. It is also observed that approximately one third of them know the norms of their respective association either fully or quite well. They know the norms because it is essential for active participation in the association and taking benefit from the association. The table 6.4 shows the nature and variation of generating norms of reciprocity of the OIAs. Among the twelve associations, six have developed it a lot whilst both the three associations have improved it moderately and a bit respectively. The name of the six associations is the FCS, LFMS, FLWS, WWS, CLS and RPS respectively. While it is increased moderately by the ADLS, VSS and HS respectively, it is enhanced a bit by the TKU, PGPLS and CCS respectively.

Some associations have been practicing reward-punishment process for establishing norms of reciprocity in their associations. It is observed that if anyone violates the norms of association, (s) he would be corrected through group discussion, showing correct way and giving punishment. Social capital, especially collective decision and action plays the most important role in enriching the norm of reciprocity. For these reasons, the difference in strengthening norms of reciprocity is observed across the OIAs.

A member of the association has said, “If you ask, everybody of us will help you” (AR 2). A KII has informed, “Last year, my cow—only one household asset—died, then I was facing mentally shock. Hearing this, everybody expended their time with me. After few days, they give me some money as aid to buy a cow” (AR 4). “We have discussed about exchanging help, and so we have develop our structure of norms” (AR 7). The opposite view located from the other KIIs. According to a KII,

“I never see any norms of reciprocity in my association because of existing conflict among us”(AR 5). The participants of FGDs have claimed, “We have improved our norms of reciprocity a lot because we live by reciprocal help” (FGD 1 and FGD 10).

They not only form the norms of association but obey the norms also. All respondents obey always the norms of the association. A KII has informed, “I always obey the norm for keeping unity and fear of punishment” (AR 3). It is also observed that norms of reciprocity are formed in order to share mutual benefit, create closure relation and trust, meet the emergency, ensure empowerment and social security, and make cooperative environment among the members. With analyzing the information above, it is clear that norm of is improved and applied significantly by the respondents.

To conclude, social capital itself strengthens the existing social capital also. The three forms of social capital—social relation, trust and norm of reciprocity—are improved by all respondents. The reputation of using social capital make obligation for future actions and thus the participants rebuilt or reform her/his social capital in an appropriate form. The interesting fact is that the stock of social capital is enhanced in all associations, except the TKU. The members of the FCS, LFMS and WWS respectively have increased their social relation—both bonding and bridging—at highest level. Social capital and trust development are correlated. The highest trustworthiness environment and norm of reciprocity is existed in the FCS, LFMS, FLWS, WWS, CLS, VSS and RPS respectively.

DEVELOPMENT OF CAPABILITY AND CAPITAL: THE ROLE OF PARTICIPATION, EMPOWERMENT AND COLLECTIVE ACTION

Capability and capital, as said earlier, plays the important role in making the nexus between social capital and poverty. Both capability and capital are influenced by the stock of social capital. Social relations trust and norms encourage the participants to reduce their poverty by increasing capability and capital. It is presumed that social capital resides in and is strengthened by the association. At the same way, social relations, trust and norms of reciprocity—elements of social capital—inhibits in the participation, empowerment and collective action. The participation, empowerment and collective action affect the level of capability and capital development. From the earlier evidences, it is found that the respondents whose participation, empowerment and collective action rate are high can generate higher level of capabilities and capital. It is hardly know that which element of participation, empowerment and collective action is important for developing capabilities and different forms of capital. This section has provided the answer of this question.

Participation

Participation is a vital issue of making the nexus between social capital and poverty. In chapter three, it has been analyzed with four elements: group activities, problem analysis, out-group activities and benefit sharing. With combination of these four elements in a single index of participation, it may be said that the higher the participation the higher is the amount of capability and capital development. Near about all respondents have claimed that participation has a role in increasing capability and different forms of capital. Though the participation rate is observed same for the all OIAs, the highest figure of participation in case of problem analysis and out-group activities is located for the FCS and LFMS respectively. "It is impossible to form an association without participation" (AR 1). "Due to participating in the association, I get the access to the resources and opportunities that help me to increase my capability and capital (AR 3). These two KIIs provide the evidences that participation plays significant role in increasing capability and capital and thus reducing poverty. In all OIAs, it is observed that the more one participate in association, the more s/he develops her/his capability and capital.

While the respondents were asked about the important element of participation that plays the most important role in developing capabilities and capital, they have given their priority towards benefit sharing. Among the twelve KIIs, two third of them has chosen benefit sharing as their first choice. Participation in group activities has been selected by two KIIs and both problem analysis and out-group activities respectively have been chosen by one KII. Though FGDs has focused on all elements, but their emphasis has been gone to the mechanisms of sharing benefit. According to the respondents, they work together in the association for taking benefits. If the benefit is misused or distributed illegally or captured by free riders, they would like to leave the

association. While the benefit is shared equally, they encourage highly acting collectively. It is observed that the higher development of capabilities and capital is occurred in those associations where benefit is distributed equally or mutually.

Empowerment

Empowerment is the key player of developing capabilities and capital as well as poverty reduction. It is related with power that gives the access of the people to the resources and opportunities. Though it is a hard task to empower the people, social capital might be used as a tool for empowerment. Since social capital encourages people to take part in all decisions and actions, it provides some energy for the people to increase their power. The process of empowerment has deeply explored in the chapter four through four elements. These are sharing information, inclusion, accountability and collective decision making. It is also shown that these four elements are interlocked and help each other to form capital and develop capabilities. All elements have significant impact on poverty reduction.

By including all elements in a single index of empowerment, it has shown that the higher level of empowerment is linked with the higher development of capabilities and capital—physical, human and social. The same evidence is provided by the respondents—survey respondents, KIIs and the participants of the FGDs. Close to all respondents have reported that they have increased their capabilities and different forms of capital by enjoying some power. The level of empowerment varies across the associations, but generally all OIA has empowered their members significantly. The variation is observed due to having the difference in sharing information and accessing in the services (inclusion). In this point, the highest empowerment is observed for the FCS, LFMS and WWS respectively. A KII has said, “While I take part in exchanging information, I enjoy my specific identity. This identity provides

my internal energy that I can do something" (AR 2). Another KII has provided the view, "Once I along with other members went to the Chairman and talk with him for aid. He cordially received us. This fact encouraged me heavily, and so now I can talk with anybody" (AR 1). "Since we all select our leader, we all are capable to make any appropriate decision" has said by a leader of the association (AR 7). These evidences show the fact that empowerment affects notably the improvement of the capability and capital of the respondents.

Although all elements of empowerment are related with the development of capabilities and capital, they have identified the two elements—sharing information and collective decision—as important. They have not rejected the contribution of other elements, but they have given their priority on these two elements because these two elements help them to make a linkage with capital formation. Both appropriate information and collective decision opens the door before them to take the advantages from the recourses and opportunities. According to a KII, "While we raise our voice collectively by appropriate and timely information, the owner bound to meet our needs"(AR 5). Another KII has informed, "As women, we enjoy some power in both the family and society because we make decisions and work collectively" (AR 7). These evidences are observed true for all associations. It is also observed that the improvement of capital and capabilities depends on the level of empowerment, but highly depends on sharing information and collective decision making.

Collective Action

Collective action is both an input and output of social capital. Many efforts for poverty reduction have been gone under failure due to collective action problems. Free riding, opportunistic behavior and selfishness cause some obstacles for collective action. In this case, social capital resolves the collective action problems and thus

collective action help to accumulate different forms of capital. Participation in collective action not only increases different forms of capital but also develops capabilities. While people act together, they exchange their ideas, skill and experiences for common purposes. Accordingly, they can develop their capabilities that might be use if it is necessary. By using the output of collective action, the participants can increase their stock of capital. In chapter five, collective action has been discussed in terms of previous experience, resource accumulation and management, communication—bridging networks—and conflict resolution. All elements play the most significant role in making capital and enriching capability. Near about all respondents have mentioned that they have increased their capabilities and capital by participating in collective action. All associations have organized and implemented some sorts of collective action, but difference is also located from association to association. This variation is occurred due the difference in resource accumulation and bridging network. Only two OIAs—FCS and LFMS—have the capacity to accumulate resources and bridge networks with others.

By including all elements in a single index of collective action, it has observed that the higher the amount of collective action the higher is the development of capabilities and capital. The participants of twelve FGDs have reported that the role of collective action on development of capability and capital is significant. A KII has said, “I learn how to increase wage through bargaining with the owners by collective action” (AR 5). Another KII has reported, “When we go to the water, we work together for ensuring security and protecting us from the pirates” (AR 4). “We work together for making a lot of benefit” (AR 3). These evidences show the fact that empowerment affects notably the improvement of the capability and capital of the respondents.

The respondents have also claimed that four elements of collect action are important for capability and capital accumulation, but they have given their priority towards previous experience and conflict resolution. Expectation for participation in future action depends on the positive experience of the past. If they have bad experience, they would dislike acting collectively. Conflict is the main barrier of collective action. The success of collective action depends on the resolution of conflict. There is a potentiality of collective action if the association is conflict-free. Only two association—FCS and LFMS—have given their importance on resource accumulation and management, and bridging network because they have enough access to resources and bridging networks. According to a KII, "I look at the past when I am invited to take part in collective action" (AR 1). Another KII has argued, "Since I took equal benefit in the past, I participate in every activity" (AR 8). Regarding conflict resolution, all KIIs have the same view that where there is conflict, there is absent of collective action. A member of FCS has informed that resource management is the key player of collective action. By examining the above information, it is presumed that collective action is inevitable and most significant mechanism for developing different forms of capability and capital development.

IMPACT OF SOCIAL CAPITAL ON POVERTY

There are many meanings of social capital, but this study includes social relations, trust and norms of reciprocity in the concept of social capital. There is a general agreement over the world that social capital resides in the association. At the same time, social capital has been introduces with the presumption that social capital and poverty are interlocked. Accordingly, social capital affects the level of poverty significantly. It is unknown to date how social capital is linked with poverty or how social capital keeps its impact on poverty. This study has identified the ways through which social capita makes linkages with poverty. It is observed that social capital

plays significant role on reducing poverty. Close to all respondents has replied that they have alleviated their poverty by joining the association. Regarding poverty reduction through building and rebuilding social capital, the highest figure is observed for the members of the FCS, LFMS, WWS and VSS respectively whilst lowest figure is located for the members of TKU and PGPLS respectively. The members of the other OIAs have claimed that they have reduced their poverty moderately.

The mechanisms through which the respondents have reduced their poverty are development of capability and improvement of different forms of capital. The capability and capital development depend on the participation, empowerment and collective action. How social capital affects and poverty is presented in the figure 6.1. Social makes it linkage with poverty by two ways: input of social capital and development of capital and capability. Whilst the first is the issues of social capital and poverty nexus in action, the second is the output of the nexus. Social capital includes three types of inputs. These are participation, empowerment and collective action. Capital includes different forms—physical, human and social—and capability consists of voice, power, rights and emergency meeting.

Firstly, participation, empowerment and collective action are linked with each other. These three inputs are interlocked and interwoven. They affect jointly the development of capital and capacities. Among the OIAs, the highest participation rate is located for the members of the FCS, LFMS and VSS respectively whilst the highest empowerment figure is observed for the members of the FCS, LFMS and VSS respectively. In case of participation in group meeting with specific agenda and out-group activities, the members of the FCS and LFMS respectively have taken the highest position. With regard to empowerment, the member of the FCS and LFMS respectively is the top position in terms of sharing information and accessing to the

services. Again, the highest figure for organizing collective action is located for the member of the same two associations. Hence, it is evidenced that the members of the FCS and LFMS have the highest position in terms of participation, empowerment and collective action. These two associations provide higher input in building social capital, which fulfill the first stage of the figure.

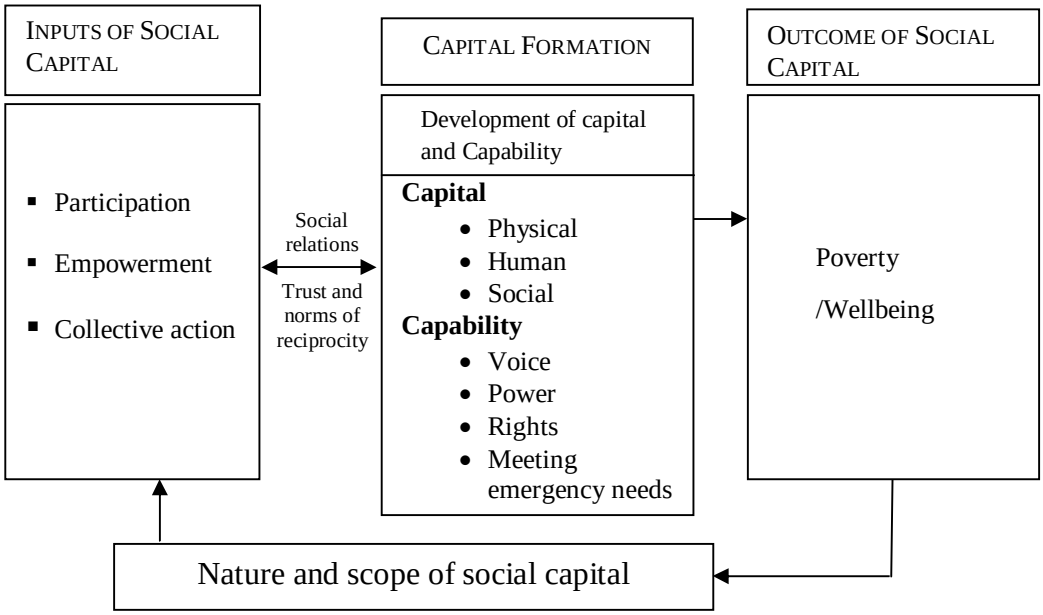

Figure 6.1. Linkages between social capital and poverty

Secondly, the development of capability is observed for the participants of the FCS and LFMS respectively. In this point, the position of the other association is very low. In case of improving different forms of capital, all associations have increased physical, human and social capital. The improvement of social capital is higher than other forms of capital. With considering the development of different forms of capital, the highest figure is found for the members of the FCS, LFMS and WWS respectively. Accordingly, it may be concluded that the higher the input of social capital the higher is the development of capital and capability.

Thirdly, development of capability and capital is associated with the level of poverty. The improvement of capital and capability refer to the lower amount of poverty. It is observed that all respondents have reduced their poverty by joining the

associations, but the highest poverty reduction is observed for the members of FCS, LFMS, VSS and WWS respectively. This is occurred due to the improvement of capital and capability.

To conclude, participation, empowerment and collective action influence the improvement of capital and capability that, in turn, affect the level of poverty. Consequently, it may be presumed that social capital and poverty are correlated through capital formation.

CONCLUSION

This chapter explores the role of social capital on poverty—whether and to what extent social capital affects the poverty of the members of the occupation-based informal associations in Bangladesh, and identified the factors that play the most significant role in making the nexus between social capital and poverty. Social capital has been introduced with the presumption that social capital increases the income or production by sharing information, reducing opportunistic behavior and making collective decision and it affects the level of poverty. This chapter has examined the nexus by analyzing the development of capabilities and different forms of capital. It has also explored the factors that contribute to improve the capabilities and capital. Finally, this chapter has made its attempt to make the nexus between social capital and poverty by the study findings.

Social capital affects poverty by developing capabilities and capital. Firstly, development of capabilities has been examined in terms of raising voice, accessing to power, learning about rights and meeting the emergency. Though different types of capabilities are improved (in) significantly, the development of capabilities vary from person to person and from association to association. A little portion of the respondents have increased all forms of capability significantly. These respondents

are the members of FCS, LFMS and WWS respectively. The respondents of other members have developed it a bit. With regard to raising voice, accessing to the power and learning about the rights, the findings are located as insignificant—improving a little amount— for near all OIAs excluding the above three associations. In case of meeting the emergency, all respondents have enlarged their capability significantly. While they face the emergency, they help each other. This motivation they have developed by taking part in the association. Though social capital motivated the participants to act collectively for developing their capabilities, all OIAs have failed to increase it similarly. Only the FCS, LFMS and WWS respectively provide the opportunities to develop different types of capabilities.

Secondly, social capital helps the respondents to accumulate different forms of capital. These forms are physical, human and social capital. Social capital is associated with the development of physical capital. The improvement of physical capital depends on the stock and use of social capital. There are no respondents who fail to improve their physical capital in the study area. Though the amount of its development varies between and among the associations, the improvement is significant for all respondents in the sense of meeting needs or increasing household assets. Physical capital includes income, savings and household assess. Income and savings have been increase at higher level by the member of FCS, LFMS and WWS respectively than that of other OIAs. In case of household assets, the member of FCS, LFMS, WWS and VSS has expanded it significantly than the other associations.

Social capital plays a significant role in creation of human capital. This fact is found for all respondents, though the rate of improvement fluctuates from association to association. Regarding the stock of knowledge, the highest improvement has been done by the members of the FCS and LFMS respectively. As the respondents learn everything

by doing, the improvement of skill has the same weigh for all associations. The members of the FCS, LFMS, WWS and CLS respectively have developed their skills outstandingly than the members of other associations because they have taken formal training to develop skills. The members, in case of all associations, share their experiences regularly and have developed it abundantly by the help of social capital. By combination of knowledge, skills and experiences into one index of physical capital, it has been improved at highest stage by the members of the FCS and LFMS respectively only.

The interesting fact is that social capital itself strengthens the existing social capital. While social capital is formed, reformed and use highly within association, it affects highly the development of social relation, trust and norm of reciprocity. All respondent, excluding the members of the TKU, have improved their stock of social capital notably. The members of the FCS, LFMS and WWS respectively have increased their social relation—both bonding and bridging—at highest level. Social capital and trust development are correlated. Both trustworthiness environment and norm of reciprocity is existed by highest level in the FCS, LFMS, FLWS, WWS, CLS, VSS and RPS respectively.

The causes behind both the developments—capabilities and capital development—are participation, empowerment and collective action. These three factors are interlocked and interwoven, and work either in a synergetic way or singularly to develop capabilities and capital. All elements of participation, empowerment and collective are important, but while they were asked to identify the most two influential elements of each factors, they have mentioned that different problem analysis in meeting, equal benefit sharing process of participation, sharing information and collective decision of empowerment and previous experience and conflict resolution mechanism of collective action are influentially important for improving the capabilities and different forms of capital.

Social capital and poverty nexus is highly influenced by the three important stages. The first stage is consisted of participation, empowerment and collective action. The second stage is the development of capital and capabilities whilst the third stage is the reducing or increasing poverty. The three factors of first stage either jointly or individually affect the second stage—level of capability and capital development. For instances, the higher the empowerment the higher is the development of capital and capabilities. The same argument can be said for the other two factors or for the amalgamation of the three factors. Since the member of the FCS, LFMS and VSS respectively have higher level of participation, rate of empowerment and amount of successful collective actions, they have accumulated or developed higher stocked of capital and capabilities. The opposite figure is observed for the members of the TKU and PGPLS respectively. By the development of second stage, it plays a significant role on poverty reduction—third stage. The higher amount of different forms of capital and capabilities indicate the lower amount of poverty, for example the member of FCS and LFMS respectively. Consequently, it may be presumed that social capital affects the level of poverty significantly through developing capital and capabilities.

CONCLUSION

With assessing the nexus between social capital and poverty through capital (de) formation, this chapter brings together the findings of the social capital formation and in-between issues of the nexus and its outcomes—capabilities and different forms of capital—which can affect the poverty in the context of Bangladesh. This chapter aims also to draw broader implications and areas for future research depending on the study's evidences. This chapter has four core sections. The first two sections are the summary of the study's central questions along with the key findings. The third section discovers broader implication of the findings. The final section elaborates the scope of future research.

THE CENTRAL QUESTIONS

Social capital, as a new and buzzword concept in development lexicon, has been used widely for improving development performances in various disciplines. In the poverty reduction paradigm, it has been introduced with the presumption that social capital and poverty are inversely linked. But the nexus between social capital and poverty makes itself puzzle due to ongoing debate on about the both theoretical and operational definition of both the social capital and poverty, mechanisms used to make the nexus, the outcomes inference by the existing studies and context in which the nexus has been examined. Debate also goes on whether social capital affects poverty or vice versa. Due to the ongoing debates, a universally defined linkage between the two concepts is yet to be devised. Although proponents argue that the level of poverty depends on the stock and use of social capital, the opponents reject this agreement and claim that poverty determine the level of social capital because the poor do not get access to interact others due to lacking of money, time and appropriate communicating language.

In term of conceptualizing social capital the scholars are still divided into the categories of structural versus cognitive, horizontal versus vertical, homogeneous versus heterogeneous, micro versus macro and internal versus external. The same debate is continuing for the concept of poverty, *i.e.* absolute versus relative, income versus other components including capabilities, powerlessness, income fluctuation, and narrow versus broadening idea of it. The further debate is related with the outcome of the social capital. Another question arisen by the scholars whether social capita reduces poverty at individual level or collective level, or whether it improves the wellbeing of a group of people or the society as a whole. The mechanisms through which social capital affects poverty are not out of the debate; rather it varies from context to context. While collective action is apposite for one context, density of membership is appropriate for another context. Such types of debate push the nexus in dilemma. Due to this puzzle in making social capital and poverty nexus, the central question examined in this dissertation is whether there is a nexus between social capital and poverty in Bangladesh through capital (de) formation, and if yes, why?

Having the debate about the mechanisms, it is hard to identify the common mechanism (s) of the nexus. In this point, the in-between issues of the nexus might be participation, empowerment and collective action. Participation is important for building social capital, and for empowering the people. Both participation and empowerment enhance the people's ability to organize and implement collective action. Participation is an input of social capital whilst both empowerment and collective action is the output of participation. In this sense, the three issues are the input of social capital. These three issues are interlinked and interwoven. Their synergetic performance increase the people's capability to get access to resources and opportunities and improves the different forms of capital—physical, human and

social. The specific objectives of this study have been threefold. The first was to analyze whether participation ensures capital (de) formation and to what extent it contributes to social capital and poverty nexus. The second was to examine how does people's empowerment promote or inhibit and whether it influences poverty. The third was to explore whether and to what extent people organize collective action that affects the poverty.

SUMMARY OF FINDINGS

To analyze whether participation ensures capital (de) formation in the context of Bangladesh, this dissertation has examined the variation of participation between participants and association. It has also identified the reasons of the variations and explored the outcomes made by participation. Participation is the first and foremost issue or tool of forming and reforming social capital as well as other forms of capital. By entering into the association, the people increase the stock of social capital—social relations, trust and norm of reciprocity—through social interaction, exchange of ideas and good, and reputation of obligation. This dissertation has explained the participation by four components. These are group (s), problem analysis process, general activities and sharing benefits. These four elements work in synergetic way to form capital and capabilities.

Firstly, participation in group(s) has examined by three ways. These are participation in group formation process, quality of current participation in group (s) and density of participation or membership. These three ways depends on each other. Taking part in the group formation process—taking initiative, member's collection, planning and its implementation—is related depends on preexisting social capital, pre-experiences and location. It enhances the active participation and involvement in other association, and thus provides higher benefits. But participation in group

formation process plays a significant role in building social capital. In case of quality of participation, active participation is effective for developing capabilities and capital. The association can perform better by the active participation of the people. Along with these two ways, the density of membership/participation in other association is significantly related with social capital. The higher the density of membership the higher is the access to resources and opportunities and thus the development of capital and capabilities. It is hard to participate in the group(s) similarly; rather it varies from association to association and from person to person. With combining the three ways together, it is observed that the members of the FCS and LFMS, WWS and VSS has participate in group(s) at higher level than the member of other association due the pre-existing social capital, intimacy, same residential location and common purpose.

Secondly, participation in problem analysis process—meeting and its agenda— and social capital are correlated. Regular participation in meeting produces and reproduces social capital that creates, in turn, other forms of capital. While the meetings include different types of agenda to discuss for solution, it works as a tool of problem resolution. By resolving the existing problems, the participants can make their life peaceful by removing tension, and reducing expenditure. There are many types of problems discussed in the meeting for resolution. It is the fact that the respondents have analyzed those problems which are necessary for and related with their daily life. All associations include finance, profession, wage and association related issue as agenda for analyzing in the meeting. Only three associations—FCS, LFMS and WWS—discuss social issue and only two associations—FLWS and HS—take account of distribution of working area for discussion. The FCS and LFMS always talk about political issue in the meeting. The respondents not only discuss

these problems but also resolve it in the meeting through collective decision. Accordingly, they get relieve from tension, can live with peace, can reduce expenditure and can improve the capability of taking decisions, designing the structure of development and meeting the risk. In this case, the highest participation is located for the members of the FCS, LFMS and WWS respectively.

Thirdly, participation in general activities have scrutinized in the form of civic, voluntarily and social activities. Civic activities have five elements: submission an application to the LGO, taking shelter under court, involvement in any demonstration, participating in political campaign and attending in community development meeting. Only few members communicated with the LGO, but not submitted any application, for collecting birth certificate and citizen certificate, and for taking the opportunity from TR, VGD and VGF programme. Some of them were successful and some were unsuccessful due to lacking of money, power and political linkage. The members of FCS and LFMS respectively submitted application to the LGO, took part in political campaign and community development meeting for taking benefits, exercising power and bridging network. Beside these, the members of the other association were absent in civic activities. Hence, participation in civic activities for getting access to resources and opportunities has been found very negative.

Voluntary activities consist of fund collection, fund management, reciprocal help for meeting the emergency and professional training. The positive evidences are found for meeting the emergency. But all members of the FCS and LFMS respectively took part in all kinds of voluntary activities in which the members of the other associations were absent. In general, the poor or working people do not feel interest to participate in voluntary activities due lacking of motivation, money and time, and because they do not understand that these activities may provide future

benefit to them. With regard to social activities, which are examined by cultural festival, religious program, games, picnic and other members' home visiting. All respondents participated in it for making intimacy, strengthening group unity, building social capital and passing the leisure time. Participation in social activities provides opportunities to get access to the services and resources, and to meet the emergency. Transforming the three activities onto a single index, the participation in activities is insignificant. But those who, most are the members of the FCS and LFMS respectively, participated in these activities have improved their capital significantly by using the resources and opportunities provided by the GO and NGO.

Fourthly, participation in benefit sharing is highly correlated with capital formation. Most time social capital is broken down to free riding, opportunistic behavior and selfishness, which make the distribution of benefit injustice. Participation in this process creates collective voice for ensuring justice in sharing benefit. The benefits are distributed among the member equally or mutually. Due to ensuring this mechanism, all respondent make their benefits accountable and transparent by regular monitoring and sharing information.

To examine the process of empowerment and its influence on poverty in the context of Bangladesh, this study has examined different issue of empowerment, and their impact on capital (de) formation that can make a link with poverty. This study has also discovered the associations' performance for empowering its member, which make difference among them. Empowerment is an output of participation as well as social capital, but is an important mechanism for making the nexus between social capital and poverty because it increases different forms of capability and capital. Empowerment has many meaning to many people, but it is assessed here by four factors: sharing information, inclusion, accountability and collective decision. These four factors are inter-linked with each other. They act together and affect poverty by developing different types of capability and capital.

Firstly, the main factor of empowerment is the sharing information that provides different opportunities to amplify the stock of capability and capital. Sharing information is associated with participation in association and sources of information. The respondents are interested to collect daily life related necessary information whilst they dislike accumulating additional information because it does not act for their improvement in living condition. In collecting information, their emphasis has gone to the price of daily necessary goods, wage, sources of loan and occupational opportunity. For sharing information, copying mechanisms are highly practiced in about all association, except the FCS and LFMS, due to lacking of education and other sources, and homogeneous characteristic of the association in which one or two members are informative. The members of the FCS and LFMS respectively have different backgrounds and knowledge, so they use pooling mechanism. The media through which the information is collected are television, association's meeting and informal discussion, such as gossiping. Homogeneity among the people encourages them to copy the informative member or person. At the same time pooling occurs when there is heterogeneity among the people. Though pooling mechanism is better for disseminating appropriate and timely information because everybody can contribute to it, copying mechanism is significantly related with sharing information, which is observed in this study. The most influential source of information is the meeting of the association where both copying and pooling are used, but the best mechanism of sharing information for the poor people is copying. Radio and news paper does not play any role on the information accumulation of the poor. The collected information, however, is correlated with the capability and access to the services and resources.

Secondly, this study has explored inclusion by bonding and bridging inclusion. Bonding inclusion occurs between different entities of the members within the association whilst bridging inclusion takes place outside the association by getting access to the services. Bonding inclusion has two forms. The first is that people get access to interact with those who have same backgrounds. The second is that people interact with those who different characteristics, such as income, educational qualification, household assets, gender, social position, membership duration, religious belief and political connection. Since near all associations are homogeneous, they follow the first type of bonding inclusion. Only two associations—FCS and LFMS— pursue the bonding inclusion of second type due to having different backgrounds of the members. Both types of bonding inclusion provide significant outcomes, but second type of bonding inclusion make higher benefits than the first one. The bridging inclusion is related with the access to the services. It has been examined in the context of educational facilities, health service, housing loan, government aid, professional training, credit provided by the government and sanitation facilities. Few members of the FCS and LFMS respectively have got the access to all service because they have money, appropriate information, social status, social networks and political power. The members of WWS have taken professional training from the NGOs. A very little portion of the respondent of the FLWS, WWS and CLS respectively has received the government aid. Beside these, majority of the respondents has deprived from all services due to lacking of information, money and linkages and because of corruption. Those who have higher level of social capital and backgrounds, they can easily get access to the services provided for them.

Thirdly, accountability affects empowerment and poverty significantly. It is introduced with the assumption that there is a relationship between accountability and capital formation. To ensure accountability for empowering the members of the

association, it is needed to make the leader, decision and finance accountable. The leaders make their accountability because the selection or rejection of the leader (s) depends on collective decision, collective voice and collective satisfaction. Except the TKU and PGPLS, the leaders of all association are accountable to its members. By taking decisions collectively, disseminating its information as soon as possible to all members, and getting access for the members to formulate decisions, the associations ensure its decision's accountability. It is true for all associations. In case of financial accountability, it is made sure by maintaining registers and sharing information regularly. With accounting these three elements, all association excluding the TKU and PGPLS have ensured their accountability before the members. Accountability and capital formation is correlated. The higher the accountability the lower is the amount of poverty. These three elements works together for giving higher amount of returns to the participants, and for developing capability and capital of the respondents.

Fourthly, collective decision making as an important part of empowerment facilitates to different activities to improve different forms of capability and capital. In case of TKU, PGPLS and CCS respectively, decisions are taken by committee or selected members. The other associations make their decision collectively. Most of the cases, the decisions made collectively are associated with the earnings, reciprocal help, unity and social capital. Not only decision is formed collectively but it controlled by jointly also. The external force or any individual cannot influence the decision. While the decisions are taken considering the members' benefit, group unity and social capital, all members take part in it for making and implementing.

In order to explore whether and to what extent people organize collective action that affects the poverty in case of Bangladesh, this dissertation has investigated different areas of collective action within the association in Bangladesh. It has also

brought together the findings about how the success of collective action varies across the association and has also identifies the outcomes of it. Due to failure the first generation collective action theory, the second generation collective action theory has been being used widely for many years in order to resolve collective action problems. The second generation collective action theory is significantly related with social capital, which makes the collective action successful by reducing free riding, individualistic behavior and selfishness among the people. Considering this theory, collective action of a association has been analyzed in terms of previous experiences, asset accumulation and management, communication—bridging networks, and conflict resolution.

Firstly, Participation in previous collection action motivates the participants to involve in future actions. Positive experience of previous actions makes obligation that encourages the participants for future actions. The reputation of such experiences can increase the level of expectation and obligation for participating in collective action. The respondents of this study have higher stock of positive experience about collective action. The three important collective action done by the participants were related with increasing income, building social capital, meeting emergency and recreation. Except two associations—FCS and LFMS, all OIAs give emphasis on giving financial help to other for meeting emergency as second important and on picnic or sports on third important collective action. All respondent took part in the first important collective activity as compulsory task whereas they attended in the second and third collective activities as voluntary duty. Between these two ways of participation in collective work, voluntarily participation is the better for making outcomes than the compulsory participation. While people invest money, time and labor in collective action willingly or voluntarily, they think that it is their work, and

so voluntary participation correlates itself with the development of capabilities and resources. The higher participation in previous action helps significantly to increase capability and capital.

Secondly, collective action is occurred in accumulating and managing assets. The respondents jointly accumulate and manage three forms of assets. These are physical, human and social capital. Physical capital includes income, savings and household asset whilst human capital takes account of knowledge and skill. Social capital refers to the network of relations, trust and norms. All respondents accumulate these three forms of capital by collective efforts at significant level, but the quantity of capital accumulation from lower level to higher level across the associations. With considering the needs of the respondents, the capital accumulation—weather it is higher or lower in the quantity—contributes a lot for the wellbeing. In accounting the amount of physical capital accumulated, the highest figure is observed for the member of FCS, LFMS, WWS and VSS respectively because of their heterogeneous background, higher stock of social capital and capacity to bridge networks with formal associations. In case of human capital, the highest accumulation is found for the member of ADLS, FCS, LFMS, WWS, VSS, CLS and RPS respectively because they attend the meeting regularly and exchange their ideas, experiences and information on regular basis. Social capital is improved significantly by all OIAs. but the above seven association strengthen it at highest level. As all respondents are able to increase their capital by participating in working together, it may be presumed that collective action and capital accumulation is correlated.

Thirdly, communication—which is called here bridging network—with other organizations is necessary for collective action. There are many sources of communication, but this dissertation has examined it with five institutions: the MP,

MLG, LL, LP and NGOs. The respondents did not bridge their communication with these institutions due to lacking of social capital, information, political connection and time, and because of poverty and powerlessness. Only few members of both the FCS and LFMS communicated with MP, MLG and LP last year for receiving different benefits, from relief to tender. The highest bridging network for the respondents is observed with the NGOs due to taking micro-credit. Since the respondents fell no interest to bridge their networks with other institutions, it may be assumed that poor people have no easily access to these institutions.

Fourthly, conflict resolution and collective action is correlated. This fact is observed in the OIAs. Conflict is always resolved by collective decision in almost all association, but the exceptional is the THU and CCS in which it is resolved by the selected members along with outsiders. Due to using social capital properly, all associations are conflict-free. When any problem is arisen, the members of the respective association take action immediately by making collective decision. The higher the collective decision the lower is the amount of conflict. Again, conflict is arisen in the association due to free-riding, selfishness, unequal distribution of benefits and political influences. The members reduce these tendencies by creating associational solidarity in the association. The higher solidarity means lower conflict existed in the association. They sometime suspend some members who try to free ride. Where there is lower level of social capital, there is higher amount of conflicting situation. However, social capital facilitates collective decision and collective action. Accordingly, it may be concluded that collective action and conflict resolution are linked with each other.

In order to search the role of social capital on poverty, this study has analyzed different types of capability and capital improved by social capital, and then it has revisited the contribution of participation, empowerment and collective action upon this improvement. It has further examined how social capital makes linkage with poverty.

Firstly, social capital develops various capabilities of the respondents. The development of capability varies from association to association. Here, capability includes raising voice, accessing to the power, learning about the rights and meeting the emergency. The relationship between social capital and capability is insignificant in general, but significant in particular. Little improvement in terms of raising voice, accessing to the power and learning about the rights has been occurred in general, but significant development in terms of those has been taken place in particular case, especially for the members of FCS, LFMS and WWS respectively. The difference between significant and insignificant improvement is marched by the difference in using social capital, making bridging networks and uplifting the motivation, and by the difference members' backgrounds. In case of meeting the emergency, there is a significant relationship between social capital and the ability to meet the emergency. Social capital enhances cooperation, coordination, trustworthiness environment among the participants, which encourage them to help each other in the time of needs. Accordingly, capability for meeting the emergency has been increased significantly in all OIAs.

Secondly, social capital helps the respondents to accumulate different forms of capital. These forms are physical, human and social capital. Social capital has significant impact in creation of different forms of capital including social capital also. The improvement of physical capital—income, savings and household assets—depends on the stock and use of social capital. The evidences show that social capital acts appreciably for the development of physical capital. The quantity of physical capital improvement varies between and among the associations, but it is significant for all association in the sense that it is useful for them to meet needs. The highest position in developing physical capital is found for the members of FCS, LFMS, WWS and VSS respectively

Social capital and human capital is positively correlated. Human capital has examined in terms of knowledge, skill and experience. The three forms of human capital have been increased highly. Among the OIAs, the highest knowledge accumulation has been observed in the both FCS and LFMS. At the same time, the highest figure for developing skills is located in the FCS, LFMS, WWS and CLS respectively because its members have taken formal training. Regarding experiences, all associations have developed it significantly by exchanging it. Considering knowledge, skill and experiences, the highest improvement of human capital has been happened in the both FCS and LFMS whilst the lowest development of it has been found in the TKU and PGPLS.

The interesting fact is that social capital itself strengthens the existing social capital. While social capital is formed, reformed and use highly within association, it affects highly the development of social relation, trust and norm of reciprocity. All respondent, excluding the members of the TKU, have improved their stock of social capital notably. The members of the FCS, LFMS and WWS respectively have increased their social relation—both bonding and bridging—at highest level. Social capital and trust development are correlated. Both trustworthiness environment and norm of reciprocity is existed at highest level in the FCS, LFMS, FLWS, WWS, CLS, VSS and RPS respectively.

Thirdly, the causes behind both types of development—capability and capital—are participation, empowerment and collective action, which has been discussed deeply in chapter three (participation), chapter four (empowerment) and chapter five (collective action). Each of the three factors plays more significant role in developing both the capability and capital. While these three factors act together, the improvement of both the capability and capital reach at the highest level. As said

earlier, all elements of participation, empowerment and collective are important for reducing poverty through improving capability and capital, but the most influential role has been played by participation in group formation and problem analysis, information sharing and collective decision, previous experience of collective action and conflict resolution.

Fourthly, this dissertation has made a nexus between social capital and poverty by the evidences. This nexus has three stages. The first stage is consisted of participation, empowerment and collective action. The second stage is the development of capital and capabilities, and the third stage is the level of poverty. The first stage enhances the second stage, then the second stage affects the third stage, and then the third stage influences again the first stage. The development of capability and capital depend on the improvement of participation, empowerment and collective action. The findings shows as the rate of participation, empowerment and collective action (first stage) of the FCS and LFMS respectively is higher, the development of both the capability and capital (second stage) of the two associations is also higher. The evidences further show that the rate of poverty reduction (third stage) of these two associations is at the top of all association. Accordingly, it may be concluded that social capital and poverty is inversely linked.

IMPLICATIONS

The poor are poor due to lacking of different forms of capability and capital, which is assumed as the result of deprivation. This deprivation is occurred by free rider, opportunist and selfish people with the help of free accessing to resources and opportunities, power and organized actions. Thus the scholars argue that social capital reduces poverty, especially the income poverty, by sharing information, reducing opportunism and making collective decision through taking membership in

association (s). But membership in the association is not the only way to transforms social capital into income and income is not the only tool of poverty. This dissertation has argued that social capital affect poverty by developing different forms of capability and capital through three routes, *i.e.* participation, empowerment and collective action. These three routes are interlocked with each other and act collectively for improving different forms of capability and capital.

In addition, this study confirms that there is enough space in the conventional wisdom of the nexus between social capital and poverty—*i.e.* social capital built by the membership in the association (s) leads to an increase in stocking appropriate information with lower transaction cost, then to reduce opportunistic behavior by distributing equal benefit, then to make decisions by collective opinion, and then increase income or production. Truly, membership or participation in association (s) is important for building social capital and other forms of capital, but it is not sufficient for making outputs without involvement in the meetings of the association (s), other activities, such as civic, voluntary and social, and benefit sharing. However, participation in the association may be self-motivated or coercion. The participants are forced to join the association by the upper one or authority while they are willingly taken part in the association if they have any contribution in all stages of group formation. Accordingly, participation in group formation process is more applicable than taking membership in association (s) for creating outcomes. This study also claims that only membership in association (s) does not make any outcomes significantly unless the participants involve in its activities actively. Another point, raised by existing studies, with the presumption that the higher outcomes depend on the density of participation—the number of associations in which one has the membership—is strongly supported by this study. Therefore, this

study adds new inference to the conventional wisdom that both participation in group formation process and active participation in group's activities are related with formation of capital outstandingly.

Participation in association would be meaningful while the members will take part in the meeting. The meeting would be useless or futile if there is no chance to discuss the existing problems for resolution. In this point, participation in problem analysis and problem resolution process is more important than involvement in the meeting. It, at one end, provides ample opportunities to the participants to share ideas, skills and experiences to resolve any problem, it, at other end, improves the social and psychological obligations of the participation. Thus, the study does not take its stand for meeting attendance; rather it argues that participation in the process of problem analysis is significantly related with the development of capability and capital. In order to bridge the networks, participation in civic, voluntary and social activities—participation in community activities—is inevitable. It is also necessary for getting access to resources and opportunities, taking benefit from the networks and accumulating different forms of capital and capability. The poor people usually fail to participate in these activities due to lacking of motivation, money and time while the riches take part in it significantly. Equal participation in distributing benefit is essential for active participation, capital formation and making the benefit sharing process accountable. This discovers the same information provided by the empirical studies.

This dissertation claims that empowerment plays the most significant role in making the nexus between social capital and poverty. Empowerment occurs through sharing information, improving inclusion—bonding and bridging, ensuring accountability and making collective decision. This study also take its favor to the conventional wisdom that appropriate and timely information is accumulated through

the process of sharing. The mechanisms by which the information is shared might be copying or pooling or the both. The poor people, as a homogeneous unit, collect necessary information by copying from taking part in formal or informal discussion, watching TV and association's meeting. The most influential source of information is the associational meeting. This study discovers that copying mechanism is significantly related with sharing information and it is easy and applicable for the poor people.

Inclusion occurs in association (bonding inclusion) and outside the association (bridging inclusion). Both inclusions are important for accessing to the resources and opportunities. This study find out that poor people have the access to the bonding inclusion significantly and are deprived from the bridging inclusion—access to educational facilities, health services, housing loan, government aid and credit, professional training and sanitation facilities—due to lacking of information, money and political linkage and because of lacking of bridging network with them. Due to lacking of social capital, the poor do not get access to different resources and services are a new in the conventional wisdom. In case of accountability, the empowerment of the poor in selecting leader (s), making and controlling upon decision, and monitoring fund regularly is important. While the participants of the association act collectively, the association ensures its accountability in terms of leader, decision and fund. It is a new adding in the outcomes of the existing studies.

Collective decision making is an important tool of empowerment and collective action also. While people make decisions collectively, they can easily add something to their livelihood to reduce poverty. Accordingly, it can be worked as a tool in making the relationship between social capital and poverty. This dissertation does not take opposition against this presumption provided by the conventional

wisdom, but it also claims that the poor work collectively for those decisions which are related to their daily life. If the decisions are not useful for their daily needs, they dislike participating in it due to lacking of interest, time and money. Accordingly, when the poor are inspired to make collective decision is a new knowledge in the collective decision-based existing wisdom.

In addition, collective action has significant effect on the social capital and poverty nexus. Collective action develops different forms of capability and capital by four routes: previous experience asset accumulation and management, communication—bridging networks, and conflict resolution. The positive experiences about previous collection action play significant role on future action and upon capital formation because it motivates the participants by the reputation of obligation. Therefore, this dissertation infers that the more the experiences about previous collective action the more is the potentiality of future action and taking benefit. It adds up a new knowledge to the existing studies. This study also ascertains that voluntary participation in collective action make significant outcomes than the compulsory participation in it.

The poor people act collectively for accumulating and managing assets properly. Collective action produces not only income or production but other forms of capital also. Collective action is significantly associated with the accumulation of physical, human and social capital. Hence, this study makes a disagreement with the presumption that collective action increases the income and production only; rather it conjectures that the improvement of different types of capability and capital depends on the success of collective action. This study find out that the poor are always disconnected with the bridging network. They cannot bridge their network (communication) with the MP, MLG and LP due to lacking of social capital,

information, political connection and time, and because of poverty and powerlessness, but they have the access to the services of NGOs. This dissertation claims also that bridging communication/ network is important for reducing poverty. Conflict is arisen in the association due to free-riding, selfishness, unequal distribution of benefits and political influences. Conflict is resolved by collective action. The higher the collective actions the lower is the amount of conflict. This finding of this dissertation is similar to the information of the existing studies.

In addition, this study provides the fact that social capital improves different types of capability—raising voice, accessing to the power, learning about rights, and different forms of capital *i.e.* physical, human and social. The existing studies claimed that it increased income or production of an individual or a group of people only. This dissertation has the strong opposite opinion that it improves not only improve physical capital but also human and social capital as well as capabilities. Finally, this dissertation concludes that social capital and poverty are inversely linked by improving capital and capability through participation, empowerment and collective action. This nexus is a new adding in the conventional wisdom of the relationship between social capital and poverty.

AREAS OF FURTHER RESEARCH

This dissertation has addressed the issues of social capital and poverty nexus and its mechanisms to improve different forms capability and capital. By doing so, it also expects that it is essential to study the relationships between the poor and government institutions in order to understand the social capital formation and reformation process, and in realizing the root causes of poverty in the context of this country. Such study would help to shift the poverty reduction policy into the investment on social capital in association with other forms of capital and to reform the poverty reduction

policy and framework that respond for the poor to come out of poverty. This study raises several questions for future research. The first is cross-associational difference in building social capital and its outcomes. The second is related to the top-down participation perspective. The third is the effect of social capital of a group over the community as a whole. The fourth is gender perspective of the nexus.

Firstly, would the research findings be same in the context of formal /governmental institutions or associations? Most cases the formal/ government institutions are vertical, but the findings of this research might be the same for other horizontal association (s). Thus, the evidences provided by this study should be compared in a cross-associational perspective including the members of formal institution (s) over the country. In case of formal institution(s), the process of social capital formation and outcomes of it may be changed the findings of this study because the rules, regulation and interacting systems are designed by the higher authority and the participants are forced to participate in this association. Accordingly, there is enough scope for further research in term of cross-associational standpoint.

Secondly, the present study includes social relations, trust and norms in the concept of social capital, which are is designed by the participants collectively. If the social capital is structural that is formulated by the higher authority—it is found in government institution (s)—and outsiders, the outcomes of the social capital may be different compared to this study. As the participants are forced to take part in the networks or institutions, they may not be self-motivated for working together or may perform better. Hence, top-down participation is another space for further study.

Thirdly, social capital has different types of outcome on the community. This study has shown that social capital affects poverty of an individual or a group of people who are the members of the group. At the same time, these people are also the

members of the community. As they interact with the community people, their social capital may increase the social capital as well as other forms of capital of the community as a whole. Therefore, the area of further research is whether social capital of a group of people influences the poverty of the community. At the same, while social capital is beneficial to some people, it is harmful to the some other people. Since some people through making group can take advantageous from the resources and services, the some other people might be deprived those resources and services. This study does not extend its attention to this point. There is a room of further research in this point.

Fourthly, though this study observed the nexus between social capital poverty in context of Bangladesh, it does not provide adequate attention to gender. The women of this country are as poor as the most disadvantageous, marginal and vulnerable people. Women association can work as a source of social capital of the women because it may keep the women together and encourage them to act collective to solve their problems. Thus, the outcomes of social capital may vary from male to female. Further study may, thus, be conducted from a gender perspective looking at the differential outcomes of the social capital, which in turn, may reduce their vulnerability. To what extend the lower rate of association's participation and collective action by the women can be explained by the fact of women perception, values, norms and social relations. To what extent social, economical, religious and political factors work for the vulnerability of the women. Can poverty and marginalization of the women be explained by the social capital? Does social capital help the women to take part in association (s). Thus a further research is called for on gender perspective in order to reduce poverty, vulnerability and marginality of the women.

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ANNEXURE

Annex Table 2.1: Research Matrix for Social Capital and Poverty Nexus in Action

	CORE ISSUES	SPECIFIC ISSUES	INDICATORS	SOURCES	TOOLS
SOCIAL CAPITAL AND POVERTY NEXUS	PARTICIPATION	Associations	• Formation • Present activities • Membership Density	• Primary Sources: Member of the associations Leader of the associations • Secondary Sources: Literature Review	• Literature Review • KIIs & FGDs Member of the associations Committee of the associations Leader of the associations
		Problem analysis	• Meeting attendance • Discussion • Problem solution		
		Community Activities	• Civic • Voluntary • Social		
		Benefit sharing	• Equally distributed • Mutually distributed		
	EMPOWERMENT	Sharing information	• Types • Mechanism • Sources	• Primary Sources: Member of the associations Leader of the associations • Secondary Sources: Literature Review	• Literature Review • KIIs & FGDs Member of the associations Committee of the associations Leader of the associations
		Inclusion	• Bonding • Bridging • Needs		
		Accountability	• Leadership • Financial • Fund		
		Collective decision	• Power • Control over • Process		
	COLLECTIVE ACTION	Previous collective action	• Involvement • Types • Process	• Primary Sources: Member of the associations Leader of the associations • Secondary Sources: Literature Review	• Literature Review • KIIs & FGDs Member of the associations Committee of the associations Leader of the associations ▪
		Resource accumulation and management	• Types • Sources • Utilizations • Distributions		
		Communication and coordination	• Scope and practice • Mechanism • Bridging		
		Conflict resolution	• Formation • Mechanism • Process		

Annex Table 2.2: Research Matrix for Outcomes of the Nexus between Social Capital and Poverty

	CORE ISSUES	SPECIAL ISSUES	INDIATORS	SOURCES	TOOLS
OUTCOMES OF THE NEXUS	CAPITAL (DE)FORMATION	Physical	• Income • Savings • Household resources	• Primary Sources: Member of the associations Leader of the associations • Secondary Sources: Literature Review	• Literature Review • KIIs & FGDs Member of the associations Committee of the associations Leader of the associations
		Human	• Education • Skill • Experience		
		Social	• Social relations • Norms of reciprocity • Trust		
	DEVELOPMENT OF CAPABILITY	Voice	Improvement		
		Power	Improvement		
		Rights	Improvement		
		Meeting emergency	Improvement		

Annex Table 2.3. Sectoral contribution to the GDP (%) at constant price

(Base Year 1995-96)

Sectors	Sub-sectors	Contribution to GDP in 2010-11 (%)
Agriculture	1. Crops & Vegetables	11.24
	2. Livestock	2.57
	3. Forestry	1.71
	4. Fishery	4.43
Sub-total		**19.95**
Industry	1. Mining & Quarrying	1.26
	2. Manufacturing	18.41
	3. Electricity, Gas & Water	1.59
	4. Construction	9.07
Sub-total		**30.33**
Service	1. Wholesale & Retail Trade	14.27
	2. Hotel & Restaurant	0.73
	4. Transport, Storage & Communication	10.91
	5.Financial Intermediations	2.01
	6. Real Estate, Renting & other Business Activities	6.99
	7. Public Administration & Defence	2.92
	8. Education	2.78
	9. Health & Social Work	2.41
	10. Community, Social and Personal services	6.70
Sub-total		**49.72**
Total		**100.00**

Source: Bangladesh Economic Review (2011:.22).

Annex table 2.4. Distribution of membership in other associations

Number of Membership	Number of Respondents
0	60
1	19
2	55
3	33
4	5
5 and above	5
Total	177

Source: Field Study

Annex table 2.5. Age of the respondents

Age of the respondents	Frequency	Percent
11-15	3	1.7
16-20	7	4.0
21-25	11	6.2
26-30	42	23.7
31-35	35	19.8
36-40	30	16.9
41-45	18	10.2
>46	31	17.5
Total	177	100.0

Source: Field Study

Annex table 2.6. Educational qualification of the respondent

Educational qualification	Frequency	Percent
Illiterate	45	25.42
Primary	89	50.28
Secondary	39	22.03
Higher Secondary	3	1.69
Graduate and above	1	0.56
Total	177	100.00

Source: Field Study

Annex table 2.7. Total Number of family member and dependent member of the respondent

Family members	Dependant Members of the Family								Total
	1	2	3	4	5	6	7	8	1
2	2	0	0	0	0	0	0	0	2
3	1	12	0	0	0	0	0	0	13
4	1	8	31	0	0	0	0	0	40
5	0	3	15	40	0	0	0	0	58
6	0	0	0	8	23	0	0	0	31
7	0	0	0	2	14	0	0	0	16
8	0	0	0	0	2	6	3	0	11
9	0	0	0	0	0	3	0	0	3
10	0	0	0	0	0	0	2	1	3
Total	4	23	46	50	39	9	5	1	177

Source: Field Study

Annex table 2.8. Monthly income of the respondents

Monthly income	Number of Respondent	Percent
1001-5000	45	25.4
5001-10000	81	45.8
10001-15000	23	13.0
15001-20000	15	8.5
20001-25000	5	2.8
25001-30000	5	2.8
30001-35000	2	1.1
35001-40000	1	0.6
Total	177	100.0

Source: Field Study

APPENDIX

Appendix 2.1 FGD AND KII CHECKLIST

1. Participation

1.1 Please tell me whether you participate in group formation process, group's current activities and other associations, and if yes, what factors encourage you to participate in those issues.

1.2 Whether you participate in the meeting regularly, and what are the issues discussed in the meeting (*e.g.* finance, social, professional, wage, organizational conflict and politics). What are the mechanisms undertaken to resolve these issues.

1.3 Did you participate in community activities (civic, voluntarily and social) last year? If yes, why did you participate in those activities? [For example, civic activities, such as submission an application to the local government, taking shelter under court, and taking part in demonstration, political campaign and local development activities. Voluntary activities *i.e.* fund collection and management, reciprocal help, professional training. Social activities like cultural events, religious, games, picnic, visiting other's house].

1.4 Please provide your judgment about how the benefit is accumulated and distributed in your association (equally or unequally).

2. Empowerment

2.1 How would you evaluate the information sharing condition (types, mechanisms and effectiveness of information) in your association?

2.2 Do you think that there are differences among the members of your association in terms of backgrounds *i.e.* income, household asset, gender, age, membership duration and political belief? If yes, does it create any difficulties for the members?

2.3 Please provide an assessment whether you have the access to the services or opportunities (such as educational, health care, housing loan, government aid and credit and sanitation), if no, what are the causes.

2.4 Evaluate the accountability of the leader, decisions and fund of your association.

2.5 Please give your opinion whether the decisions are taken collectively in your association. If yes, mention the three important decisions that were made last year and the factors working behind collective decision.

3. Collective action

3.1 Did you participate in any collective action last year? If yes, provide the name of the three important actions. Why and how did you participate in those activities?

3.2 Please provide your evaluation whether you accumulated different resources *i.e.* physical, human and social by joining the association last year? If yes, please tell me the process of management and distribution of those resources.

3.3 Do you think that you have the opportunity to bridge your network with different institutions, such as Member of the Parliament (MP), local government member, local leader, local people and NGOs? If no, what are the causes?

3.4 Whether the conflict exists in your association? If yes, what are the reasons? If no, please describe why not.

4. Capital formation

4.1 What is your evaluation about the role of social capital in developing your capability *i.e.* raising voice, enhancing power, learning about rights and meeting the emergency needs and increasing different forms of capital like physical, human and social?

4.2 Do you think that social capital reduces poverty? If yes, please illustrate how it works for alleviating poverty. If no, please mention why not.

5. What are your recommendations for strengthening social capital that can affect poverty effectively?

Thank You

Appendix 2.2. FGD Places and number of participants

AREAS **Barisal**	Places	FGD Number	Number of participants
Barisal 1	Bheduria, Bhola	FGD 4	10
Barisaal 2	Port Road, Barisal	FGD 11	12
Chittagong			
Chittagong 1	Laimai, Commilla	FGD 3	12
Chittagong 2	Durgapur, Commilla	FGD 7	10
Dhaka			
Dhaka 1	Block-C, Mirpur 12	FGD 8	12
Dhaka 2	East Islambag	FGD 6	10
Dhaka 3	Bus Stand, Mirpur 10	FGD 12	12
Khulna			
Khulna 1	Roghunathpur, Jhenidah	FGD 1	12
Khulna 2	Jessore	FGD 2	10
Khulna 3	Bezpara, Jhenidah	FGD 5	10
Rajshahi			
Rajshahi 1	Putia Kacha Bazar, Rajshahi	FGD 9	9
Rajshahi 2	Rail Station, Rajshahi	FGD 10	10

Appendix 2.3. List of KIIs

AR	Association's Representative
AR 1	Samad, Secretary, Agricultural Day-labour Welfare Association
AR 2	Atiar Rahaman, Cashier, Farmer Welfare Association
AR 3	Mir Hossen, Member, Forest Maintenance Worker Association
AR 4	Faruq Hossen, President, Fish Labour Welfare Association
AR 5	Safiqur Rahaman, Cashier, Tanth Karigor Union
AR 6	Rahibul Hossenn, Member, Plastic Goods Producing Labour Association
AR 7	Ratna Rani, Manager, Women Welfare Society
AR 8	Shahabuddin, Member, Construction Labour Welfare Association
AR 9	Nimay Halder, Member, Retail Vegetable Seller Welfare Association
AR 10	Abul Khair, Member, Hawker Welfare Association
AR 11	Mohamad Manik, President, Collie Cooperative Association
AR 12	Ripon, President, Rickshaw-Puller Welfare Association