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## Social Inclusion and Capacity Building of Civil Society as the Social Capital of Development in Indonesia

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### Abstract:

*This paper is a conceptual study of development with dimension of humanity. Development is a process of humanization, whose success is measured not only by the high rate of economic growth (GNP/GDP), but the extent to which human beings are positioned as important actors in the process as well as in the utilization of the results achieved. Therefore, development should be able to encourage the capacity building of civil society and represent the inclusively involvement of community groups (social inclusion). Thus, society is social capital and development is a process of humanization, in which prosperity is achieved, must be able to give happiness to all people.*

**Keywords:** *Development, social development, social inclusion, civil society, social capital*

### 1. Introduction

National development is a planned change effort to realize prosperity. With the achievement of prosperity is expected to realize the welfare of social justice for all people of Indonesia, as embodied in the five precepts of the foundation of the State of Indonesia - Pancasila, and in the 1945 RI Constitution.

Making prosperity a goal of national development has implications for how countries should formulate policies and strategic measures to achieve them. In the New Order era, the strategy of achieving prosperity was carried out with an economic-based development approach – capital centered development. As a result, the state is able to spur high economic growth rates but ironically the number of poverty and inequality is also high – the paradox of development.

Development does not create the occurrence of structural transformation, which promotes the vertical social mobility of the lower society. This is because development activity is very elitist and exclusive - it only involves owners of capital and certain professional groups, very little involving the lower society, so the results are concentrated and accumulated in their group. Development as if only the domain of the State (state) and entrepreneurs (business), does not involve the community (civil society) as a whole.

Achieving the level of prosperity is not only measured by the high economic growth rate (GNP/GDP), but also the extent to which the economic achievement is distributed to all groups of Indonesian people in justice. In addition, the extent to which community groups are involved in development activities as a process of achieving prosperity. These two main issues of development: the distribution of development outcomes (prosperity) and community involvement (participation) become important indicators to measure the success of national development.

The following table shows the poverty rate in Indonesia over the past 10 years, either relative or absolute.

Years	Relative Poverty	Absolute Poverty	Gini Ratio
2007	16,6	37	0,35
2008	15,4	35	0,35
2009	14,2	33	0,37
2010	13,3	31	0,38
2011	12,5	30	0,41
2012	11,7	29	0,41
2013	11,5	29	0,41
2014	11	28	0,41
2015	11,1	29	0,41
2016	10,9	28	0,40

Table 1: Statistics of Poverty and Inequality in Indonesia Period 2007-2016

Source: World Bank and Indonesia Central  
Bureau of Statistics (BPS), 2016

The table above shows a slow and consistent decline in national poverty. However, the Indonesian government uses the uncritical requirements of the definition of the poverty line, so that appears to be a more positive picture of reality. In 2016 the Indonesian government defines the poverty line with per month (per capita) of Rp. 354,386 (or about USD \$ 25) which thus means very low standard of living, also for the understanding of the Indonesian people themselves. However, if using the poverty line value used by the World Bank, which classifies the percentage of Indonesians living on less than USD \$ 1.25 per day as those living below the poverty line (in other words poor), then the percentage of the above tables would appear inaccurate because its value as raised a few percent. Furthermore, according to the World Bank, if we calculate the number of Indonesians living on less than USD \$ 2 per day the figure will increase even more sharply. This shows that most Indonesians live almost below the poverty line.

Inequality arises as economic growth occurs. This is because growth is not inclusive, that is the result of economic growth is not absorbed or not distributed significantly to most people. This shows that the biggest contributor to economic growth is only a handful of businesses from the rich and the results are also largely felt by their group.

The reality of poverty and the emerging gap is the result of capital-centered (economic) development practices and ignoring human development as a priority. Therefore, social development that places society as both capital and development objective – people centered development – should get priority in national development policy in addition to economic development. Furthermore, the success of development is not only measured by economic growth figures, but the extent to which economic success is achieved reflects the overall participation of society, both in the process and in utilizing the results achieved. In this case the human development index became one of the main indicators to measure the level of achievement of national development. However, the Human Development Index (HDI) still needs to be refined, the measurement variables are still material and have not accommodated specific social variables, in this case is social inclusion and capacity building of civil society as an important aspect of capital social for national development in addition to money capital (economy).

## 2. Objectives

This paper is a literature study that aims to reconstruct the concepts of social inclusion, civil society, and social development, combining formal theory with local understandings that have developed in established social practice. How social inclusion and civil society development practices are utilized and transformed into important social capital in national development.

## 3. Social Development

In the perspective of social development, community participation is not only a tool or a means, but also a goal, because in active and creative participation in development, human nature as a creature with aspirations, self-esteem and freedom is manifested and enhanced. In other words, the emphasis of social development is the equitable distribution of human rights and equitable means - social inclusion (Wirutomo, 2004).

The separation of the social development concept from the concept of economic development is not intended to contradict either or separate its implementation or even see both as a mutually exclusive option. Because economic life is essentially social life, social development is the cornerstone of economic development. In other words the economy should not be built for the sole purpose of generating economic growth, but built so that people living in that society can live with more prosperity. Because human beings live in society, the economic development must be based on the basic values agreed upon by the majority of people (value-based development) and able to create prosperity inclusively to all citizens.

Social development is not individual development or a small group of people, social development is about improving for the people. Social development is a development that should be enjoyed by the wider community. Therefore the problem of group gaps is a very serious and dangerous social problem. Social development is an attempt to reduce the gap. Gaps are impossible to eliminate from this world, but must be reduced to the point where no group has absolute power so as to cover all possible changes (status quo).

Social development also should not be concentrated solely to reduce poverty, because without community empowerment in the real sense, poverty alleviation often does not result in social development. Poverty alleviation programs such as social safety nets (JPS), rice distribution for the poor (Raskin), labor intensive, often fail to eradicate poverty in an essential and permanent manner, but have led to dependence, abuse of the poor. Therefore the problem of poverty should be seen as a systemic social problem (societal) that includes the interrelationship of various dimensions. To overcome this is not enough with programs that are economic only but the development of various aspects of society (granting autonomy, social protection, social capital development, social solidarity, etc.). There are two social development indicators that will be explained in this paper of social inclusion and capacity building of civil society.

## 4. Social Inclusion and Civil Society as Social Capital

### 4.1. Social Capital

Social capital is not really a new concept, the meaning of social capital has long been known as a bond that makes the mechanism of community life to be effective. Scientists now view social capital as a collection of complex ideas (Rohe, 2004).

Furthermore, social capital is seen as a model of the interconnectedness of complex ideas: social capital links together concepts such as community engagement (inclusion), interpersonal trust, and effective joint action.

Social capital emphasises the perspective that participation in social activities builds mutual trust, which will enhance the prospects of the participants to gain from such participation by mutually reinforcing the interests along with others who also participate in such activity. Social capital as a theory gained currency in the writings of Bourdieu (1986), Coleman (1988), Fukuyama (1995), and Putman (1993). Social capital largely brings cognitive and structural understanding about how people gain from their relations, networks and mutual trust with others.

Social capital is a concept that is not easily identified or measured in quantity and absolute. Social capital can be discussed in the context of a strong community, a solid civil society, as well as a nation-state identity. Social capital, including elements such as trust, cohesiveness, altruism, mutual cooperation, networking and social collaboration have a major impact on economic growth through various mechanisms, such as increased sense of responsibility for the public interest, widespread participation in the democratic process, community and the declining levels of violence and crime (Blakeley & Suggate, 1997; Suharto, 2005).

Two major figures who developed the concept of social capital, Putnam (1993) and Fukuyama (1995), provide an important definition of social capital. Although different, the definition of both has a close relationship (Spellerberg, 1997), especially concerning the concept of trust. Putnam defines social capital as the appearance of social organizations such as networks and trusts that facilitate coordination and cooperation for mutual benefit. According Fukuyama, social capital is the ability arising from the existence of trust in a community.

Social capital can also be seen as a natural feature of human being as a social being who can not live alone, he needs others in his life. Man gets his needs through the life of society where he lives, which has certain characters and norms. In this social life, a person cultivates networking and trust with others. With the network and trust from others that he gets, then someone will be easier to meet their needs (Masik, 2005).

Social capital and civil society are essentially social and collective assets of social systems, not individual characteristics of them, they are found at the overall level of society as a whole. With this in mind, the involvement of communities and their capacity building as civil society should be facilitated and developed so that it becomes a real social capital for national development.

#### 4.2. Social Inclusion

Sociologically, the concept of social inclusion is rooted in Emile Durkheim's (1964) thought of social solidarity. That the development of the capitalist industry has led to the destruction of social cohesion which is characteristic of a homogeneous pre-industrial society. A form of social solidarity united by a commitment to traditional values (religion and culture) as a guide to the social life of traditional societies. However, Durkheim believes that social solidarity is a necessary condition for the existence and sustainability of a society. Therefore, solidarity in industrial societies characterized by high division of labor and social differentiation will emerge in the form of functional interdependence. This concept of social solidarity is named by Durkheim as organic solidarity, which is more concerned with the difference factor or heterogeneity of modern industrial society, especially related to the growth of collective identity, whether based on culture, gender, and professionalism.

Then, the concept of social inclusion arose as the pluralism of modern society developed. The extent to which the conditions of social solidarity can be strengthened along with the development of an increasingly complex collective identity. Social inclusion is the purpose and principle of justice. Social inclusion does not seek the same or equal outcome for every citizen. But rather focusing on the relative equality between groups in terms of access and opportunity to important resources (Collins, 2003). In the context of national development, the notion of social inclusion does not refer to the notion of equality of outcomes, but rather the equality of opportunity to be involved in the development process and access to resources. The extent to which states and societies facilitate or create mechanisms (policies) that can ensure that every group of citizens (ethnicity, race, religion, and gender) can participate and have equal opportunity to the economic resources and power available within the community.

That social inclusion has never been an independent concept. It has always been linked with the notion of social exclusion. Social inclusion can be achieved broadly by ensuring participation of people in all the activities in which their presence is necessary. In general, it is meant to address the multidimensional deprivations that are caused by social exclusion. Though the meaning of social inclusion is dependent upon the conditions and circumstances, it subsequently seeks secured social settings in which everyone is guaranteed basic rights to sustain his/her life (Kummitha, 2017). In summary, that social inclusion is about "redistribution of social opportunities" to all sections of the population without being limited by any bias and segregation (UNDP, 2011). To that end, the larger social order must respect and be responsible for developing its own communities where members feel secure, preserve and enhance their membership through their continuous contribution to the development of the whole society (Kilkenny et al, 1999).

Normatively and philosophically, the essence of the meaning of social inclusion has actually been exposed in the basic construction of the State of Indonesia: Pancasila and the 1945 Indonesian Constitution. The fifth principle of "social justice for all Indonesian people" and subsequently derived in several articles of the 1945 Constitution of the Republic of Indonesia 1945 which outlines that every citizen has equal rights to education, employment, organization, politics, and welfare in general. The

statement indicates that the State treats its citizens equally without discrimination, to gain access to resources that facilitate the fulfillment of welfare.

To expand, social inclusion requires opportunities and resources that are necessary to ensure the participation of those who have been excluded in economic, social, political and cultural life. It should then be able to provide them with a standard of living and well-being which is considered normal in the society in which they live. Furthermore, such provision ensures that their voices are respected in any decision-making which affects their lives (European Union, 2004). Thus, it is claimed that social inclusion is a systematic process that rescues a person or community from the risks of uncertainty and exclusion. It elevates living conditions and in the process, all options are explored and exploited to attain social inclusion on a sustainable basis.

The social inclusion approach needs more welfare-based policies in order to deal with the causes and consequences that promote it (Kummitha, 2017).

Indonesian society is a plural society both horizontally and vertically (social stratification), which in reality both dimensions are often cut. For example, women's groups versus male groups (horizontal dimensions) have lower access to economic, political and educational opportunities (vertical dimension). Therefore, in order to prevent a sharp inequality in obtaining access or opportunity to these welfare resources, the government must make arrangements through affirmative policy that treats weak or structurally weakened groups structurally obtaining access to proportional and equitable. Thus there should be representativeness of each group to gain better opportunities in various areas of social, economic, and political life. In turn, there is a structural transformation or vertical mobility of lower society groups from different ethnic, religious, gender, regional, and other social groups.

Thus, social inclusion can be defined as an opportunity for individuals to participate in their social life as citizens, not only to meet physical needs, but all basic rights, including education, health, politics, worship, leisure, self-expression, etc. (Wirutomo, 2014). However, to gain access to these welfare resources can not be left entirely to market mechanisms through free competition without fair regulatory mechanisms. The free market mechanism will only give rise to strong group dominance over the weaker classes. In this case, the State must be present and participate through its policy of arranging the mechanism of equitable distribution of opportunity.

The policy of social inclusion as a goal of social development can only be realized through a just regulatory mechanism so as to achieve structural transformation in all groups of Indonesian society, especially those who have been marginalized. Not just eliminating poverty in the narrow sense (low income or not fulfilling minimum physical needs), but creating an inclusive society.

#### 4.3. Civil Society

Civil society became a conversation, both as an idea and a social movement, emerging along with the wave of democratization that hit the world in the 1970s. Starting from Southern Europe (Spain, Portugal and Greece) in the mid-1970s, Central and Latin America (Brazil, Argentina, Chile, Uruguay, Peru, Ecuador, Bolivia, Paraguay, Honduras, El Salvador, Nicaragua, Guatemala, Mexico and others) in the early 1980s, and Eastern Europe (Poland, Hungary, Czechoslovakia, Romania, Bulgaria, and former East Germany) in the early 1990s. This is a phenomenon that Samuel P. Huntington calls the "Third Wave of Democracy" between 1974 and 1990, at least 30 countries undergoing a transition from authoritarian and communist regimes to democracy (Huntington, 2004).

Meanwhile, the development of civil society in Asia shows a unique and complex phenomenon. The concept of civil society articulated by citizens in Asian countries is not exactly the same as the expression of civil society in Western countries. Of course, what the Western community imagines by its civil society paradigm is, unquestionably, different from what is imagined by society in Asian countries that adopt the paradigm. The social, political, cultural and other contexts can be identified as the variables that contribute to this difference. As Alagappa (2004) points out, the dynamics of civil society in Asian countries, bringing diverse expression from time to time. Civil society in Asia presents an uncritical, sometimes highly critical, reactive, radical, and militant character in positioning itself vis a state, but often, it positions itself hand in hand with the state.

The development of the discourse of civil society as an important concept in thinking about society, has produced various interpretations that invite debate. Therefore, without knowing the mapping of such concepts and their relation to other concepts, the application of such concepts can lead to confusion. In the Indonesian context, the concept of civil society can be mapped in three aspects; horizontal (CS I), vertical (CS II), and a combination of both horizontal and vertical (CS III) (Gardono, 2001). Civil society as a horizontal aspect emphasizes cultural aspects. The Civil Society here is closely linked with "civility" or "civilization" and "fraternity". In the vertical aspect, the concept of civil society puts public autonomy on the state and is closely linked to the political aspect. The term "civil" is close to "citizen" and "liberty". The translated translations are Citizens. The third aspect, combining between horizontal and vertical dimensions. Among other things was put forward by Paul Wirutomo as the *Adab* Society. He argues that the concept of civil society but not merely provides a more independent position of citizens to the state, not only democracy which only emphasizes individual rights and rule of law, but mainly emphasizes the moral correction of relations among citizens themselves. The planting of values of harmony among citizens that generates concern for all citizens and the fate of the whole nation. (Wirutomo, 2001).

Unlike the discourse on the very rich concept of civil society, the development of civil society indicators in Indonesia is relatively lagging behind. This situation makes the weakness of civil society measurement and mapping of civil society dynamics in a certain period of time. In addition, the absence of measurement will complicate the comparison between civil society, whether in one country or between countries. The weaknesses in this indicator have further impact on policy-making efforts in the development and strengthening of civil society.

The discussion of the various definitions of the Civil Society above has implications for the selection of indicators: C.S. I emphasize and measure horizontal aspects, while C.S.II focuses more on vertical aspects, while C.S. III combines the two. Measures of civil society horizontally (C.S. I) can be done, among others, by measuring the subjective level of "trust" among social groups. This subjective measurement can be done by survey and "rating". With this survey, it is found that tolerant individuals have a high "trust". Horizontal measurements can also be measured objectively by knowing "the proportion of those working in the non-profit sector (" the third sector ") compared to those in the working age. This high volunteer level of work can be a measure of the high altruistic value that is closely associated with "trust."

The vertical dynamics of civil society can also be measured objectively by looking at the number of CSOs consisting of association organizations, political organizations, NGOs; Community Organization (CBOs). Currently in Indonesia the number of NGOs is estimated between 4000 to 6000 which varies in terms of number of members and activities.

Discussion on indicators of C.S. III that combines vertical and horizontal aspects has been sought by Civicus (2001) with the Index of Civil Society. This index was developed by Helmut Anheier of the Center for Civil Society, the London School of Economics. This index consists of four dimensions:

- Structure with sub-dimensions of membership, participation, distribution, composition and resources.
- Space with sub-dimensions of laws and regulations, network to government and business, and socio-cultural norms.
- Values with sub-dimensions of tolerance, human rights, gender equality, transparency and accountability of stakeholders.
- Impacts with sub-dimensions of public policy and government monitoring, responsiveness and effectiveness of CSOs.

From the four dimensions it is seen that the horizontal aspect or C.S. I is included in the dimensions of the values, especially sub-dimensions of tolerance. Similarly, the vertical aspect or C.S. II is measured through an impact dimension that includes CSOs' ability to monitor government. Meanwhile, the space dimension also measures the vertical aspect as it covers the network to government and business sectors. While the structure dimension contains information about the anatomy of CSOs so that it can be clearly known its potential.

## 5. Closing Remarks

Social inclusion and civil society are important social assets for national development, their existence and contribution to the success of development depends largely on the ability of the community and the state to explore and manage them so that it becomes a real social capital for national development, as well as the importance of money capital for economic development.

The establishment of an inclusive society and the increasing capacity of civil society as a social capital of national development can not be realized without a policy that facilitates and regulates relationships among various social groups (horizontal relations) in gaining access to welfare resources (vertical relations). Therefore, it is necessary for state intervention in the form of law or policy to guarantee the fulfillment of the rights of the citizens equally, both on the individual and collective levels.

The Human Development Index (HDI) is an indicator used to measure the distribution of people's access to welfare resources (education, economics, and health), is still material and has not specifically measured social aspects in the horizontal and vertical dimensions. Thus, it is necessary to develop indicators of social variables, particularly related to the concept of social inclusion and capacity building of civil society as the social capital of development. Given these indicators, the achievement of social development as an important aspect of national development can be measured objectively, and can be an input to formulate policies and programs of action on issues related to social development.

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