The Value of Social Capital in Resourcing Community Development in Africa

Gervin Chanase & Charles Kojo Vandyck
Authors

Gervin Chanase is an international development expert affiliated with the West Africa Civil Society Institute (WACSI), with over 9 years of professional experience in third sector governance, policy and advocacy, results-based monitoring, and evaluation. Gervin’s work is currently situated in the intersectionality among civil society research, capacity strengthening, and policy advocacy. Gervin is a member of the International Programme for Development Evaluation (IPDET), and the Knowledge Network of the United Nations Office of the Special Advisor to Africa as well as a Certified Online Learning Facilitator (COLF). Gervin holds a Masters’s degree in Development & Governance from the University of Duisburg-Essen, Germany, and a second Masters’s in Global Studies from the University of Vienna (Austria), University of Leipzig (Germany), and University of California (Santa Barbara), USA. He is also the author of numerous publications focusing on civil society discourse in the Global South.

Charles Kojo Vandyck is a social justice activist and thought leader with expertise in strengthening civil society resilience, sustainability, and leadership. Charles serves as a member of the Knowledge Network of the United Nations Office of the Special Adviser on Africa. Charles is also a Founding Member of the International Consortium on Closing Civic Space (iCon), an initiative of the Centre for Strategic and International Studies (CSIS). He currently serves as a member of the Governing Board of Africans Rising, a Pan-African movement of people and organisations working for justice, peace, and dignity. He also serves as a Trustee of INTRAC based in Oxford, UK and an Advisory Board Member of Disrupt Development based in Amsterdam, Netherlands. He is a Core Team Member of the Reimagining INGOs (RINGO) systems change initiative. Charles also serves as the Head, Capacity Development Unit at the West Africa Civil Society Institute (WACSI). He is a member of the Development Studies Association, United Kingdom, a certified Change the Game Academy Master Trainer and an IFC- Learning and Performance Institute Trainer.

Editorial Team

Jimm Chick Fomunjong – Head, Knowledge Management Unit, WACSI
Nancy Kankam Kusi – Programme Officer, Knowledge Management Unit, WACSI
Shu Mabel Lum - Programme Assistant, Knwledge Management Unit, WACSI

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I. Situating Social Capital within the African Philanthropy Spectrum

Philanthropy or giving in Africa is not a new phenomenon. Long before colonialism, Africans had been giving for socio-cultural and economic reasons. As noted by Stigmata Tenga, Africa and its diaspora have a long history of philanthropic practices that build social cohesion, address inequality, and provide aid measures during crises (McQueen, 2021). Over the years, the continent has developed several models that have grown and built on the traditional models that have proven to work in the African context. The prospects for giving on the continent remain bright. For starters, there are exponential prospects of domestic resource mobilization that cannot be discounted. There is a growing group/category of middle class and wealthy individuals. A recent study published by Capgemini points to the fact that there are about 168,000 millionaires in Africa alone, with a combined wealth of $1.7 trillion (cited in Lijfering, 2019).

According to Landry Signé, consumer expenditure on the continent has grown at a compound annual rate of 3.9 percent since 2010 and reached $1.4 trillion in 2015. This figure is expected to reach $2.1 trillion by 2025 and $2.5 trillion by 2030 (Signé, 2018). Implicitly, as the middle class grows and economic outlooks improve, the propensity to give increases, all things being equal. Secondly, as the capacity and capability of local giving infrastructure improve speedily across Africa, Asia, and Latin America with the penetration of internet, mobile banking, fintech, and with more business friendly and charity inducing

“In the Western world, time is money
In Africa, networking is money”

Following the 2016 Humanitarian conference in Johannesburg, a burgeoning paradigm in international development praxis was canonized in the form of shift the power. Situated within the broader discourse of decolonization and localization of aid, shift the power is about amplifying what this paper calls the three Ps (power, position, and participation) of local communities and restoring the balance of power in their favour within the current international aid ecosystem. A potential panacea to counterbalance power imbalances between north and south has been touted as local philanthropy and domestic resource mobilization. It is noteworthy to state that community philanthropy has been part of the conversation for decades, but power asymmetries threaten to scuttle its potential and prospects. There is no doubt that the over-reliance on the global north for funding social change is the primary reason that restoring the balance between the global north and south seems unfeasible if not impossible. Indeed, many argue that so long as the global south cannot generate its own resources to fund its development agenda, the fight for equality will always remain a mirage. In response to this daunting challenge, Civil Society Organizations (CSOs) in the global south are seeking to diversify their funding and strengthen their local support base. A growing number of international organizations and funders are supporting global south CSOs to do this. Domestic resource mobilization and community giving therefore continues to gain prominence. Many actors in the African civic space have taken note of this and have begun experimenting, testing, innovating, and investing in alternative ways of working with communities and resourcing their activities.
policies and regulations, the sheer volume of resources that stand to be mobilized will quadruple. Despite the optimism, the sector faces major challenges as the ‘philanthropy support ecosystem is not evenly developed in the continent’ and ‘infrastructure is still weak.’

Compounding this deficit is the poor record of giving for developmental outcomes especially social justice and environmental causes. Research published by the African Philanthropy Forum, which delved into the driving factors behind funding disparities for African CSOs, found that African funders directed just 9% of large gifts to CSOs based on the continent between 2010 and 2019, while non-African funders provided 14% to these groups (Schwier, Hayi-Charters, Holland, Andrian, & Layode, 2021). With these limitations in mind, developing homegrown solutions to the perceived challenges remains a priority. This is presumably where social capital comes in. There is an inherent sense of social bonding and solidarity among members of many African societies, including those in the diaspora. Different members of these societies have taken advantage of these relationships in different ways. Social capital has impacted politics, governance, culture, and economics in Africa. Without pre-empting anything, social capital can be an effective catalyst in improving the African giving landscape.

II. Defining Social Capital

The concept of social capital has been overstretched, and yet its significance has not been adequately explored, even among development experts and practitioners on the continent. In Africa, it can be characterized as ‘who you know and who knows you’. The term continues to feature in the lexicon of developmental practices and remains an excellent bargaining chip in power and resource negotiations between donor and receiver (south and north). However, it’s either overlooked or under invoiced by donors or recipients in discussions about resource allocation, partnerships, and collaborations. Similarly, social capital has been mentioned passively in textbooks and board meetings, but not with the same prominence. To have a firm understanding of social capital, it is expedient to place it within a theoretical lens. Social capital theory contends that social relationships are resources that can lead to the development and accumulation of human capital. For example, a stable family environment can support educational attainment and the development of highly valued and rewarded skills and credentials. In evolutionary terms, social capital can be defined as any feature of a social relationship that yields reproductive benefits. According to Savage and Kanazawa (2002, 2004) cited in (Wright, 2015), humans have evolved preferences for companionship in general, and specific preferences for cues that signal higher levels of social capital.

Social capital refers to the collective abilities derived from social networks (Huysman & Wulf, 2006). Nahapiet and Ghoshal (1998) suggest that a specific definition of the term is hard to come by, but the definition they opine is that social capital means the actual and potential resources embedded within, available through, and derived from networks of relationships possessed by an individual or social unit, and they view social capital as a relational resource. Therefore, Nahapiet and Ghoshal’s definition of
Social capital is the term given to the networks of associations and norms of trust and reciprocity that facilitate collective action by “transforming contingent relations” into relationships that imply “durable obligations subjectively felt” (Bourdieu, 1986). The building blocks of social capital thus encapsulate the influence of trust, optimism, reciprocity, voluntarism, solidarity, and other empowering values.

From the definitions of social capital, it can be referred to as a resource that is produced because of relationships, while giving implies individuals or groups making charitable contributions of financial resources, time, technical assistance or support to organizations and individuals in need of such contributions. Linking the two is not as straightforward as it sounds. Which leads to which? Does social capital oil the wheels of giving or is it the other way around, where giving strengthens social capital? This issue paper expresses the opinion that there is an iterative relationship between them, regardless of how you view it. As we move away from this philosophical dilemma and consider the direction of this article, it seeks to build a clearer understanding of how social capital can evoke philanthropic behavior from individuals in a community. The purpose of this paper is to examine the influence of trust, optimism, voluntarism, and other social capital determinants on African giving. It examines the creation, accumulation, and application of social capital in community-led philanthropic pursuits.

III. How Can CSOs Build Social Capital?

CSOs in Africa are situated in a highly networked sociocultural setting. Among the many associations that individuals working with CSOs belong to, there are churches, social clubs, fraternities, village councils, alumni associations, among others. These networks have wealthy individuals and strong collectives that can be cultivated to regenerate social capital. Within these networks, CSOs and individuals can enhance the visibility of their work and programming to gain members’ understanding and interest.

Another way to build social capital is to intentionally include and/or reach out to nontraditional partners. For most CSOs in Africa, a huge gulf exists between them and potential partners such as private sector actors, research institutions, academia and even government agencies. Given that trust is a commodity on which social capital thrives, these overtures can go beyond mere invitations to programme activities to more purposeful driven engagements such as invitations to planning meetings, strategic reviews, and stakeholder engagements. In the process, a relationship is forged and nurtured as these actors begin to cultivate a deeper understanding of the work, challenges, and successes of the CSOs. Inroads and synergies will then come as a corollary of this relationship building, which translates to long-term sustainable partnerships.

Among the reasons given for the inability of African CSOs to mobilize a critical mass of citizens to donate to their causes, is their inability to engage the community in the conceptualization, design, planning, and implementation of the programs. Also associated with this is the failure to communicate their work properly to both existing and new audiences. It remains unlikely to develop relationships and build social capital with the wrong messages and mediums being used to engage citizens. Furthermore, CSOs operate in an information age marked by misinformation, disinformation, and lack of information. Africans have long held misconceptions and misgivings about what a civil society organization is and what it can do, resulting in varying perceptions of this sector. A good number of CSOs are seen as ‘proxies’ of ‘western powers’, ‘profligate’, ‘rich and affluent’. Diatribes of this kind alienate and confuse potential and existing...
partners. CSOs should, therefore, reflect on how they carry themselves and who they are in relation to the constituencies they represent and the communities they strive to influence and engage.

IV. Maximising Social Capital

The coronavirus (Covid-19) pandemic has shown that reliance on community solidarity and self-help, as opposed to ‘formal development systems’ proved pivotal in providing needed resources and relief to many communities. The question is, how can African CSOs capitalize and maximize the potential of social capital to generate resources for community development?

First and foremost, African CSOs need to be more responsive, service oriented, and accountable in existing spaces, corridors, and structures in which they find themselves. Many organizations find accountability daunting, especially when it comes to transparency regarding funding, allocations, spending, compliance, and reporting. In that regard, many organizations have been found guilty, and many are forcefully held accountable rather than willfully. It is, however, unfathomable, how CSOs expect to build social capital when there is often a high degree of opaqueness in all levels and dimensions of accountability regarding their work and operations. With today’s resources and opportunities, CSOs should demonstrate transparency and accountability in order to cement trust. More efforts should be made in strengthening trust with existing and potential donors.

Giving in the African socio-cultural setting is also characterized by reciprocity. When you make a gift to a friend or close relative or even extended family, it is returned or appreciated later in another format. People who experience reciprocity are likely to develop strong bonds with one another, and it strengthens social capital. Similarly, CSOs that make appeals for donations without a clear return that resonates with community members risk upsetting/undermining this balance and eroding social capital. As underscored by Kumi, CSOs are therefore entreated to ‘invest’ in a relationship of trust with existing and potential donors, and to show how a contribution can make a real difference and how they can benefit potentially (Kumi, 2019). A case study published by the West Africa Civil Society Institute (WACSI) shows how Purposeful, a Sierra Leonean based CSO, raised funds using the tenets of trust and reciprocity. Rape has been endemic in Sierra Leonean communities for a very long time. Capitalizing on staged protests by victims and survivors, Purposeful joined in solidarity and started the establishment of a Survivors Solidarity Fund (SSF) for women and girls on 25 June 2020. The organisation was able to mobilize about $100, 000. “Purposeful embarked on a transparent communication process to inform the public about every single cent donated. This helped in building the confidence of contributors and encouraged more donations.” Beyond this, Purposeful was able to contribute significantly to paying legal fees and providing safe spaces for survivors and victims.

Admittedly, attracting high net worth and ordinary Africans to give to traditional CSOs has been challenging. Though most are charitable, they give to ‘other’ causes rather than supporting civil society development work. It is therefore imperative that CSOs find ways of brokering partnerships with these individuals, by first cultivating relationships with them, streamlining, and aligning their domestic resource mobilization efforts with the priorities of these wealthy individuals (where possible), reporting back, and showcasing results or impact. CSOs also stand to benefit if they can contribute to advocacy efforts aimed at creating conducive environments for development work to thrive. Local regulatory frameworks such as tax
regimes, which offer tax rebates and other incentives for wealthy philanthropists can greatly incentivize and revolutionize giving. Alternatively, they can also clamour for the repeal of obnoxious and retrogressive laws such as the Electronic Transaction Levy (commonly known as Electronic Levy or E-levy) which is a tax applied on transactions made on electronic or digital platforms in Ghana, Cameroon, and several African countries which disincentivizes a giving culture.

However, the drive to promote giving within networks should not be limited to only wealthy individuals within and outside networks but should encompass mechanisms of reaching ‘ordinary’ people. As noted elsewhere, Africa is home to a growing middle-class, with the African consumer spending expected to have surpassed $1.4 billion in 2020, offering great potential for philanthropic growth, particularly through new channels such as online giving, SMS giving, and crowdfunding. How can these masses be galvanized to support philanthropic efforts of CSOs? It remains crucial that African civil society is owned, resourced, and supported by the people it is meant to serve with systems and structures that can serve people. Models that promote a shared ownership and vested interest should be encouraged or tested within the African philanthropic space.

Among the several alternative models that rely on the power of social capital to function, is the shared economy model as practiced in Latin America in which a network of CSOs pool their strengths and resources. Such a model could be replicated in Africa. The sharing economy is an economic model defined as a peer-to-peer (P2P) based activity of acquiring, providing, or sharing access to goods and services that is often facilitated by a community-based online platform. The sharing economy involves short-term peer-to-peer transactions to share use of idle assets and services or to facilitate collaboration. An example of a typical scenario would be two Community-Based Organisations (CBOs) with different needs. CBO A needs a translator but lacks a graphic designer, while CBO B has one but needs a translator for a webinar. In this situation, both organisations can utilize their resources effectively by exchanging their expertise. In view of the resource needs of most African CSOs, as well as our societies’ intricate social connections, this model should be unexacting to adopt and apply.

V. Call to Action: Leveraging Social Capital

This paper has clearly highlighted that there is a robust and seasoned argument for leveraging on social capital to nurture and cultivate domestic resource mobilization and community giving as a mechanism for addressing the sustainability, credibility and legitimacy crises faced by African CSOs in these uncertain times. Social capital also has the potential to promote downward accountability to community citizens and to strengthen relationships with other stakeholders on the continent. Social capital provides the avenue for CSOs to strengthen trust-based relations within communities which helps to advance the resilience and sustainability of initiatives beyond the terminal period of donor support. In these times of crises and complexity, social cohesion
allows for the rapid and effective mobilization of groups and increases ownership and informal investments when traditional resource providers are unable to support development efforts. Social capital improves the capacity and capability of communities to strike a balance between external resource contributions and the value of community assets and investments. It is imperative to state that leveraging the drivers of social capital will nurture much higher levels of feelings of trust and safety, increased levels of participation in communities, and more financial and non-financial value from connections and networks.

The time has come for CSOs who work in African communities to leverage who they know and who knows them to build social capital to resource community-led interventions. This will help CSOs respond effectively to restrictions and attacks on civic and political liberties, unacceptable levels of poverty and inequality, creeping authoritarianism, constitutional manipulations, and lack of governmental accountability.

SOURCES AND BIBLIOGRAPHY


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