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Social Capital in Senegal: Bane or Boom?

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Abstract

In Senegal, at first glance, it appears that one's social capital allows the individual to be able to survive, but not thrive. Social capital in Senegal appears to hinder local economic development. For my Capstone, I would like to focus more on what social capital means in Senegal, looking at both the benefits and drawbacks of its' affect on local economic development. I will be focusing my research within my site, Dahra, population 40,000, and drawing upon case studies as I begin work. I will also be looking at the role of non-governmental organizations (specifically Peace Corps) in generating social capital or acting as intermediaries (bridging social capital) between marginalized groups and local economic development

Social capital, by which is meant the invisible glue of relationships that holds business, economy and political life together, is at the core of any country's development.

Dambisa Moyo 2009; 58

The concept of social capital has become of great interest in recent years. Researchers have identified social capital as the "missing link" in development research, apart from natural capital, physical capital, and human capital. In the area of community development, social capital is seen as the bond that brings individuals together to attain a certain goal or objective. The effectiveness of social capital in community development is determined by several factors, such as trust and solidarity, and whether it is bonding or bridging. Research shows that social capital does not always have a positive outcome, and that some of the factors that are essential to social capital, such as solidarity and reciprocity, can also have a detrimental effect.

In local economic development, social capital appears to have both a positive and negative effect. Groups or associations are able to work together to achieve a positive economic outcome through the bonds of social capital; yet due to concepts or norms of reciprocity and solidarity, individuals are often obligated to provide for others within the group if need be, no matter the economic cost to the individual.

Non-governmental organizations (NGOs) in the developing world are attempting to address this issue of local economic development in relation to social capital by building on the successes of co-operatives and women's groups. The involvement of NGOs often leads to another level of social capital, usually that of "bridging" social capital. NGOs have access to a multitude of resources to help the local community; however, the local community needs to trust the NGO, which can take years. The NGO must be willing to put in the time needed to build trust within the community and strengthen its bond.

Senegal at a Glance

Senegal, located on the coast of West Africa, is considered a developing country, hailed for its stability, both in terms of its politics and economy under the current President Abdoulaye Wade[1]; however, it has become evident in recent years that "disappointed high hopes for political and economic change" has led to increasing instability throughout the country (Bertelsmann Stiftung 2009, 2). With a few exceptions, such as telecommunications and services, most economic sectors in Senegal have yet to see any substantial growth; and with an unemployment rate of 48%, living conditions for most Senegalese, especially those in rural areas, are rather difficult (Bertelsmann Stiftung 2009, 2; CIA 2011). Economic hardships have led to disappointment with the governing body, setting off numerous riots within the capital of Dakar and other major cities over the past two years. Presidential elections are scheduled for February 2012, and many government agencies are already expecting disruptions of services due to inevitable riots or strikes.

[1]President Abdoulaye Wade was elected in 2000, and has since held a 7-year term and 5-year term in office. Presidential elections are scheduled for February 2012, and there is an evolving conflict concerning whether it is even constitutional for Wade to seek re-election.

Table 1: Senegal Population Statistics

Senegal	2000	2005	2008	2009	2010
Population, total (millions)	9.51	10.87	11.79	12.11	12.43
Population, growth (annual %)	2.6	2.7	2.7	2.7	2.7
Surface area (sq.km) (thousands)	196.7	196.7	196.7	196.7	--
Poverty headcount ratio at national poverty line (% of population)	54	50.8	--	--	--
Life expectancy at birth	56	57	58	59	--
Mortality rate, under 5 (per 1,000)	119	95	82	79	75

Sources: CIA 2011; The World Bank Group 2010

Senegal gained its' independence from France in 1960; however then President Leopold Senghor continued governmental and economic structures founded during the French colonial period (late 1670s-1960). President Senghor's period in office (1960-1980) was marked with a heavy emphasis on the cultivation and exportation of groundnuts, which created strong relationships with both France and the Mouride Brotherhood[2], a religious sect of Islam formed from within Senegal with considerable influence. Whereas Senegal claims to be a secular state in terms of governmental

[2] The emergence of the Mouride Brotherhood in Senegal took place during colonization, creating a "new form of social order at a time of social chaos" (Gning 2004, 5). The Mouride Brotherhood focuses on "peace only" and its' followers heavily rely on the guidance of their religious leaders – *marabouts*. The French Administration noticed the influence of the Brotherhood and created a strong alliance and preference with them. Since then, the Mouride Brotherhood has become the most influential religious sect in Senegal, with a strong presence in international commerce, (informally) managing the "national" transportation system, and holding numerous political offices (Gning 2004).

affairs, all three presidents of the republic have courted the Grand Marabout in Touba[3], seeking his approval for office.

Senghor's lack of expertise in economics led to numerous failures during his term as president. Senghor attempted to diversify products and strengthen the economy through the introduction of co-operatives; however, local leaders exploited co-operatives to become their "personal support networks through the distribution of material or financial goods" (Gning 2004, 6). In 1979, Senegal faced an economic crisis which caused President Senghor to request assistance from the International Monetary Fund (IMF) and World Bank, which ultimately did not help pull the country out of crisis. President Senghor voluntarily stepped down from office in 1981, and handpicked his Prime Minister Abdou Diouf as his successor.

President Diouf easily maintained his office as President, winning elections in 1988 and 1993. Diouf's presidency oversaw the creation and dissolution of the state of Senegambia, where Senegal and The Gambia attempted to join forces to create a more powerful state. Also prevalent since the early 1980s, there has been mounting tension in the southern Casamance region of Senegal to become its own sovereign state; a tension which is still present today. During his term in office, Diouf attempted to stabilize the economy through the decentralization of multiple government agencies and a focus on privatization, but these efforts did not bear any fruits either (Gning 2004). In the mid

[3] Touba is located in central Senegal and is the pilgrimage site for the Mouride Brotherhood, second only to Mecca. The government of Senegal has little influence on the affairs of Touba, as it is ran separately by its religious leaders; its (informal) status can be compared to that of Vatican City within Italy (Bertelsmann Stiftung 2009, 5; Gning 2004). The Grand Marabout is located in Touba and is the highest authority for the Mourides; he has the power to issue edicts that followers are required to obey (Gning 2004).

1990s, the IMF and World Bank once again stepped in and recommended an economic reform[4] which lead to an increase in gross domestic product (GDP).

In 2000, Abdoulaye Wade was elected president in Senegal's first official change of power between political parties. Wade's political reign has been marked with several scandals in his attempts to strengthen the president's power. Former Prime Ministers Idressa Seck and Macky Sall were dismissed and charged with corruption after their public opposition to Wade in 2004 and 2009 respectively (Bertelsmann Stiftung 2009, 4; Freedom House 2011). In 2007, Wade's victory in the first round of the presidential elections for his second term caused the opposition to boycott parliamentary elections (Bertelsmann Stiftung 2009). Wade also recently (in the summer of 2011) attempted to change the constitution to lower the majority vote needed for election to the presidency to 25% and create the office of Vice- President[5]; Wade eventually withdrew these requests after rioting broke out in the multiple cities. Numerous corruption charges throughout Wade's presidential career and the general dissatisfaction with his presidency, has caused unrest within the nation as the 2012 presidential election approaches (Freedom House 2011).

[4] More information about this economic reform plan for Senegal can be found on the IMF's website; please refer to "Senegal—Enhanced Structural Adjustment Facility Policy Framework Paper, 1998–2000" at <<http://www.imf.org/external/np/pfp/senegal/seng-01.htm>>.

[5] There is conflicting data concerning the office of Vice-President. According to Freedom House, the office of Vice-President was passed by the National Assembly in 2008 along with the return to a seven year presidential term. However, in June 2011, Wade attempted to change the majority vote needed for election and create the office of Vice-President, but withdrew the bill after facing strong opposition throughout the county (Freedom House 2011).

Table 2: Senegal Economic Statistics

Senegal	2000	2005	2008	2009	2010
GDP (US $) (billions)	4.69	8.70	13.21	12.79	12.95
GDP, growth (annual%)	3.2	5.6	3.3	2.2	4.2
Workers' remittances and compensation of employees, received (current US$) (millions)	233	789	1,476	1,365	1,346
Net official development assistance and official aid received (current US$) (millions)	429	698	1,064	1,018	--
Unemployment rate	48	48	48	48	48

Sources: CIA 2011; The World Bank Group 2010

Pertaining to the economy, Senegal averaged over 5% GDP growth annually from 1995 to 2007. There was a slight drop in 2008 and 2009, but at the end of 2010 the growth rate stood at 4.2% (CIA 2011). Current research by the IMF shows the growth rate for 2011 to post at 4% with a projected 4.4% growth in 2012 (IMF 2011). Despite the steady economic growth, more than 50% of the population lives below the poverty line. Senegal’s economy, both individually and on the national level, relies on international donor assistance, from debt relief services from the International Monetary Fund and financial aid from the United States to individual assistance from NGOs providing services within Senegal (CIA 2011). These “outside” sources of economic aid are not sustainable and have led to a culture of dependency, both on the national and individual levels. To fully understand this disparity between GDP and the percentage of the population living below the poverty line, one must look at the social structure and local economic development of Senegal.

For most Senegalese, there is a strong disconnect from the politics and economy found in Dakar to their daily life struggles in the more rural settings of Senegal. Due to difficult living conditions, most Senegalese are more concerned with living day to day than with focusing on issues that they consider intangible. Senegal is a predominantly Muslim country of multiple ethnic groups, with Islam being practiced by over 94% of the population (CIA 2011). Muslim followers look for guidance from their *marabouts (*religious leaders*)* in all matters spiritual, not their elected or appointed political leaders. There are multiple sects of Islam in Senegal, with the Mouride Brotherhood being the most influential. The influence of the Mouride Brotherhood has risen above religious matters, now extending into politics and the economy (Gning 2004, 5-6). Due to cultural traditions and religious influence, Senegalese families are often very large; polygamy, lack of birth control, and the need for multiple children to work in the fields or help with household chores are just some of the reasons. Family members often remain in the household even after marriage, creating a very strong sense of family and solidarity. The family structure is patriarchal, which seeps over into everyday life as well; older men are revered in society, even if they no longer actively participate in politics or civil society. The bonds created through the influence of religion and family have generated much social capital within Senegal.

In this paper, I will focus on the role of social capital as it relates to local economic development in Senegal. I will argue that social capital in Senegal allows the individual to survive, but not thrive; that while there are positive outcomes, it is detrimental to local economic development. Part one of this paper will discuss current literature and research available on social capital as it relates to development in general, culture, local economic development, and NGOs. The second part of this paper will discuss the implications of social capital in Dahra, Senegal as it pertains to local economic development. I will conclude with my findings on the effectiveness of social capital on local economic development, along with future research suggestions.

Part One: Literature Review

Defining Social Capital and its' Role in Development

Since its' resurgence in the early 1990s, social capital has become one of the most researched and debated theories in current social science history. Social capital has been hailed as the "missing link" in the study of social sciences, placing an emphasis on trust, social norms and networks. Research began to focus on social capital when economic growth rates varied in countries with similar natural, physical, and human capital (Grootaert 1998, 1).Robert Putnam thrust the social capital concept into the spotlight with his research based on social ties in Italy and declining civic involvement in the United States. Since then, numerous researchers have questioned whether Putnam's assessments are valid; they have also criticized the ambiguity of social capital and the difficulties being able to provide empirical evidence alongside the concept (Isham *et al* 2002). The theory of social capital has been able to bridge the divide between social science, political science, economics, and development; thus leading to some of the ambiguity surrounding the concept.

For the purpose of this paper, social capital will be defined as "the network of associations, activities, or relations that bind people together as a community via certain norms and psychological capacities, notably trust, which are essential for civil society and productive of future collective action or goods, in the manner of other forms of capital" (Farr 9, 2004). Newton describes these characteristics as "habits of the heart"—trust, reciprocity, solidarity and cooperation (Newton 2001). Newton goes on to describe the importance of trust, what he finds to be the key ingredient to social capital: "trust makes it possible to maintain peaceful and stable social relations that are the basis for collaborative behavior and productive cooperation" (Newton 2001, 202).

When researching social capital, one must look at both its' structural and cognitive dimensions. Uphoff defines the structural dimensions of social capital to be those attributes that *facilitate* social capital, such as roles, rules, precedents, and procedures. Cognitive attributes are those that *predispose* social capital – norms, values, attitudes, and beliefs; "norms, values, attitudes, and beliefs that constitute cognitive social capital are ones that rationalize cooperative behavior and make it respectable" (Uphoff 2001, 218). According to Uphoff, both dimensions of social capital are necessary and linked with one another: "[networks] are crucially sustained by expectations (that is, by norms) of reciprocity. This shows that there is an essential cognitive dimension to networks that derives from mental processes, and not just from what is exchanged" (Uphoff 2001, 219).

Social capital is generally understood to be of two kinds: bridging and bonding social capital. Bonding social capital can be defined as "the strong ties connecting social groups such as family members and neighbours [which can] offer 'immediate practical support'"; whereas "bridging social capital…can be a powerful means by which poor people address problems requiring collective action" (Das 2004, 31). These relationships are one of the key components to social capital, as discussed by Coleman. One example that encompasses both bonding and bridging social capital can be found in voluntary associations. Through voluntary associations, individuals bond over a general cause, which often leads to a deeper level of trust between individuals. Bridging social capital is created by the variety of individuals that join voluntary associations, thus bridging relationships and networks (Coleman 1988; Newton 2001).

In addition to bonding and bridging, social capital can also be describes as horizontal or vertical. Lewandowski provides the following definitions: "horizontal social capital is resources (networks of social trust and social connections) that are accessible and appropriable *within* a specific socio-economic or cultural stratum. By contrast, vertical social capital is resources (networks of social trust and social connections) that are accessible and appropriable *between and among* socioeconomic and cultural strata" (Lewandowski 2006, 8). According to Putnam, horizontal social capital improves the flow of information, whereas Coleman suggests that vertical social capital is "characterized by hierarchy and an unequal distribution of power among members" (Colletta & Cullen 2000, 2).

Thus, the literature shows that social capital can also have a negative effect, which may include the following: exclusion of outsiders; excess claims on group members; restrictions on individual freedoms; and downward leveling norms (Portes & Landolt 2000). Bonding social capital that may strengthen the relationship of a group may very well be the same social capital that breeds exclusivity. Fukuyama describes how both the Ku Klux Klan and the Mafia "achieve[d] co-operative ends on the basis of shared norms, and therefore have social capital, but they also produce abundant negative externalities for the larger society in which they are embedded' (Fukuyama 2001, 8). Fukuyama suggests that it is a natural human tendency to divide the world into friends or enemies – us or them--, and that the feeling of solidarity that a group has often comes at the expense of hostility towards outsiders. Coleman goes on to assert that social capital is not “completely fungible, but may be specific to certain activities. A given form of social capital that is valuable in facilitating certain actions may be useless or even harmful for others” (Coleman 1988, 98).

Nevertheless, research has shown that social capital “has come to the forefront as a crucial ingredient in achieving equitable and sustainable development…many development theorists and practitioners have accepted the pertinence of social capital as an essential component of social organising and the creation of a strong civil society” (Abom 2004, 342). Krishna discusses the importance of social capital as it relates to development in his seven year study of social capital in rural India. Krishna states that it is vital to continue to study how social capital is “shaped over time and what influences these changes. Doing so will assist practical efforts to promote democracy and accelerate economic development,” which is crucial to developing countries (Krishna 2007, 941). According to his study, social capital can grow due to the following circumstances: “when communities form self-initiated local organizations; when they develop rules to manage collective enterprises among themselves; and when they have available leaders who can help initiate organization building and rule development” (Krishna 2007, 955).

Social Capital and Culture

The literature also shows a strong correlation between social capital and culture. In the developing world, cultural ties and traditional norms are very influential of how one behaves in a particular situation. Norms and trust are essential to social capital, two elements that can be deeply rooted in one's culture. These norms and trust often influence social networks, depending on an individual's "radius of trust" (Fukuyama 2001). While these elements of social capital are in place to aid one another (leading to reciprocity via gift-giving or loans that may never be repaid), they often hinder progress in the developing world.

Social theorist Coleman suggests that social capital and culture are rooted in "networks based on some form of shared identity and concern; this shared identity plus repeated interaction through participation in the networks means actors get caught up in sets of rules, norms, and bodies of mutual information that both assist certain sorts of action and limit others" (Bebbington & Perreault 1999, 398). Fukuyama claims that social capital is, in part, a "by-product of religion, tradition, shared historical experiences and other types of cultural norms" (Fukuyama 2001, 7). Fukuyama goes on to state that "virtually all forms of traditional cultures – social groups like tribes, clans, village associations, religious sects, ect – are based on shared norms and use these norms to achieve co-operative ends" (Fukuyama 2001, 9).

Some cultural factors that need to be addressed concerning obstacles and/ or limitations to social capital in developing societies are as follows: patriarchal system (women are usually left to tend to the house and children); economic pressures; low group capacity and leadership; and the concept of gift exchanges (Abom 2004; Curry 2003). Concerning low group capacity, Fukuyama describes how in traditional societies, there are "fewer opportunities for weak ties among the segments that make them up, and therefore pass on information, innovation and human resources less easily" (Fukuyama 2001, 10). Fukuyama considers these "weak ties" to be the individuals that are able to move between groups (a function of bridging social capital); thus being the "bearers of new ideas and information" (Fukuyama 2001). Without these "weak ties," traditional societies are not able to progress in development.

In the area of leadership, Krishnna claims that in traditional societies, "leaders who invest in building social capital acquire prominent positions and gain considerable visibility" (Krishnna 2007, 956). Unfortunately, there is a lack of leadership due to cultural norms and other obstacles, such as long-standing traditional roles or restrictive bureaucracy (Marais 2011; Nel *et al* 2001).

The tradition of gift exchange is illustrative of the role of culture in social capital. Curry explains the importance of participating in gift exchanges in Papua New Guinea: "The capacity of people to engage in gift exchange is critical to social relationships and identity and is an important determinant of the quality of life. It is central to the notion of personhood and community and is not something from which an individual can easily withdraw. The failure to engage in exchange undermines the identity and unity of the kinship group…Without exchange, the quality of life declines, social relationships are suspended, and opportunities to resolve conflicts decline" (Curry 2003, 417). Curry goes on to describe how gift exchanges often "ripple" throughout the social networks, thus creating a sense of solidarity. While this example is specific to Papua New Guinea, it can be compared to several West African societies as well, as documented in *African Friends and Money Matters* (which will be discussed later in detail).

Social Capital and Local Economic Development

Economists have recently been researching the effects of social capital in local economic development; however, economists are quick to criticize the difficulties with empirical evidence. For most economists, the ambiguity of social capital – difficulties in gathering empirical data, multiple definitions, inability to distinguish casual relationships – takes the forefront in most arguments discussing its' effect on local economic development. Nevertheless, economists do agree that it is beneficial to look at the role of social capital and local economic development, especially in the developing world.

Social networks have been proven to be crucial "for the transmission of information on and knowledge of business… and generating trust in economic relationships" (Curry 2003, 410). Fukuyama describes social capital in economic terms as reducing transaction costs (Fukuyama 2001). However, some obstacles to consider concerning economic development in developing societies are: shortages of local capacity and resources, and poor understanding of the broader economic environment (Nel *et al* 2001).

Economic theorists from Adam Smith to Karl Marx have recognized the importance of associations (or networks) in economic development: "these associations served competing or complementary economic purposes: to maximize profits, monopolize markets, increase efficiency, render mutual aid, raise wages, shorten the working day, share wealth, mitigate or inflame class antagonism" (Farr 2004, 23). Today, these modern-day associations are described as "co-operatives": "an association of free men, working with the means of production held in common, and expending their many different forms of labor-power in full self awareness as one single social labor force"(Marx cited in Farr 2004, 24).

Research by Narayan and Pritchett shows that there is a positive correlation between associational life and income, specifically in the area of village social capital where involvement in associational life leads to a twenty percent increase in income. This concept of associational life goes hand in hand with Putnam's theory of social capital, focusing on trust, norms, and networks which allow individuals and communities to work together (Das 2003, 31; Lichterman 2006).

According to research performed by World Bank economists Steve Knack and Phil Keefer, there is a positive correlation between trust and income level. Their research shows that "low income societies have less trust than rich societies, and societies with less trust have less rapid economic growth" (Easterly 2006, 79). However, the questions that Knack and Keefer focused on dealt with trusting a *stranger*, not a family member or known associate. The concept of "radius of trust", as mentioned before by Fukuyama, is very important. Most cultures are alike in that family members are trusted over other members of the community or outsiders; what differentiates then is how large the radius of trust is in the respective community. Easterly discusses how for most low-income societies, one would do almost anything to help out a close friend, but has no issues ripping off an outsider. This can be seen in business transactions as well.

Concerning the role of relationships and social capital as they pertain to local economic development, Easterly discusses how important trust is in building a business relationship: some African manufacturers require six to twelve months of continuous business transactions before allowing the client to use a credit system. After the relationship has been established, it will usually last, on average, seven years (Easterly 2006, 82). Easterly goes on to explain the importance of relationships and networks as they affect to local economic development; “a web forms of socially linked businessmen who trust one another enough to extend credit, to recommend suppliers or buyers, and to not engage in hold-ups” (Easterly 2006, 83).

Social Capital and NGOs

Recent literature focuses on case studies that discuss the role of non-governmental organizations (NGOs) in development, citing social capital as a contributing factor. NGOs are able to provide the “bridging” aspect of social capital within communities in need, linking them to appropriate technologies and resources (Clark 2008). According to Nel *et al*, NGOs “have the potential, by virtue of their intermediary position, to facilitate the development process through linking both top and bottom” (Nel *et al* 2001, 5). Much of the literature praises the “good work” of these NGOs. Examples of positive outcomes come in the form of economic growth, slowing of urbanization, access to basic needs and socialization: “[NGOs] socialize states to adopt global standards and definitions of progress, but they also penetrate states to provide material assistance, particularly when those states are collapsed or failing” (Clark 2008, 632). Krishnna states that “outsiders (like NGOs) cannot directly raise social capital but can ameliorate the circumstances/ environment so as to urge citizens to cultivate their own social capital" (Krishnna 2007, 955).

However, most of the literature shows that while these NGOs are providing a beneficial service, they are also creating dependency upon "outside" relief which hinders development and sustainability (Abom 2004; Buckland 1998; Fukuyama 2001; Manji & O'Coill 2002; Moyo 2009; Nel *et al* 2001). Communities and individuals become dependent on NGOs or other aid organizations to provide more than what is necessary. As one such activist stated in a case study featuring Guatemala: "People are promised the world by politicians and NGOs and then they think it is the responsibility of others to improve their communities. This takes away their own responsibility and they don't participate because they think it should be done for them" (Abom 2004, 348). In *African Friends and Money Matters*, Manranz reiterates this point with the following observation:

> Where once the community felt responsibility to care for the needs of people in the community, now they look to relief and development organizations to care for those needs. Where once communities sought to improve their lot through their own work and resources, now they think that the only way to develop is to get money from someone else. Why do they work yourself when there are development agencies with more money than you will ever see in a lifetime looking for places to give it away?
>
> Manranz 2001; 126-7

This dependency on "outside" relief is seen as detrimental to social capital, according to Moyo. In his book *Dead Aid*, Moyo describes how "outside" relief, in this case foreign aid, diminishes the need for trust within societies through numerous outlets:

> Foreign aid does not strengthen the social capital – it weakens it. By thwarting accountability mechanisms, encouraging rent-seeking behavior, siphoning off scarce talent from the employment pool, and removing pressures to reform inefficient policies and institutions, aid guarantees that in the most aid-dependent regimes, social capital remains weak and the countries themselves poor. In a world of aid, there is no need or

> incentive to trust your neighbor, and no need for your neighbor to trust you.
>
> Moyo 2009, 59

Without trust, social capital cannot function.

Nevertheless, the same case study by Abom showed a positive correlation of trust between NGOs and their intended beneficiaries. Community members trusted NGO staff and were very open and honest about their problems and needs. A women's group that the same NGO worked with mentioned an increase in trust among fellow group members (Abom 2004). Thus the NGO was able to help cultivate and maintain social capital. The literature provides multiple examples of NGOs and women's groups and the cultivation of social capital through the emergence of stronger social networks and higher levels of trust.

Overall, there is an extensive amount of literature available on the topic of social capital and how it pertains to various disciplines, which will only increase in time as the concept is continued to be heavily researched. Due to its' own function and core ideals – trust, norms, the concept of social capital is not tangible and difficult to gather empirical data, and thus open to an array of interpretations. These multiple and sometimes contradicting interpretations lead to the argument as to how reliable is the concept of social capital and is it pertinent to research at all.

Part Two: Social Capital in Dahra, Senegal

Dahra is located in the middle of Senegal[6], bordering the Sahel Desert; it is considered the last major economic hub before reaching the Ferlo area, where Pulaar nomads herd their livestock. The town has a population ranging from 20,000 to 40,000, dependent upon the season. There is a daily market which provides the local population with fresh produce, meat and fish. There is also a weekly market that expands upon the daily market, and also provides a livestock market and material goods market. Within the town of Dahra, one can find most of life's daily necessities in the form of boutiques, bakeries, auto repair shops, and other service providers.

Nevertheless, the town of Dahra is struggling to grow. People live day to day, unable to plan any further of their futures due to uncertainties concerning finances, health and education. While the local population has access to electricity and running water, there are frequent power outages and water cuts. There are only two paved roads within Dahra, and the roads leading out of town are riddled with potholes and in need of desperate repair.

Even though life appears somewhat dire to the inhabitants of Dahra, they are nevertheless able to provide for their families on a daily basis and have a generally positive outlook on life. Senegalese culture relies heavily on solidarity, through the good and the bad; and places a special emphasis on family and peace.

This emphasis on solidarity, along with trust and reciprocity within Senegalese culture, shows how social capital affects the local community. The Senegalese people

[6] Refer to Appendix A

know that they must look out for one another to survive; that life can be difficult, so they need to be in solidarity. The Senegalese people appear to trust one another, at least at the surface level; always willing to help one another out without questioning motivations. One reason for this trust is the idea of reciprocity that is prevalent within the culture. An individual knows that if he/she helps another individual, either financially, materially, or via some sort of service, the latter individual will be indebted to the previous. If the latter individual cannot help out when needed, that individual will find a way to repay the "debt", either with the help of family or asking another individual that is able. Thus, social capital is cultivated through trust, reciprocity and solidarity.

In the book *African Friends and Money Matters: Observations from Africa*, author David Manranz discusses African culture as it relates to all financial matters. Manranz focuses on the meaning of solidarity within African cultures and the role of relationships, two important factors to consider when researching social capital. Whereas the book is based upon observations from numerous African cultures, Manranz deals extensively with the Wolof culture that is found in Senegal. Dahra is at the heart of the Wolof culture; the town itself is situated 35 kilometers from the ancient royal kingdom site, and the local community members are proud of their Wolof heritage. Many of the observations that are included in Manranz's work, I have witnessed first-hand during my service in Dahra.

Manranz spends an entire chapter focusing on the role of solidarity as it pertains to African culture, displaying both positive and negative outcomes. Solidarity "means interdependence rather than independence. It also means living in a community rather than living in social or spacial isolation" (Manranz 2001; 95). There is a Senegalese proverb that states “nit-nit ay garabam” (the remedy for man is man); this reflects Senegalese thinking in that man is the solution to all man’s problems. Going deeper, this proverb also shows how interdependent Africans are of one another. In Dahra, it is odd to see someone alone; meals are always eaten together (10-12 people around one bowl); multiple people share one room and one bed; the sense of family and unity are all around.

Most families are very large in Dahra, so more than likely there is someone within the family who has access to whatever the family needs. A sister may be a tailor; a brother may own a boutique; another brother may own a horse cart; the grandmother may be the president of the local women’s’ group. The family is able to support itself through the social capital of its’ members.

Another aspect of social capital that is explored is the role of relationships. Manranz discusses how relationships are the key to success in African culture: “success in life is attained through personal relationships, through connections with people in positions of power and authority, and through spiritual means” (Manranz 2001; 135). There are several reasons as to why relationships are so important to success: limited economic opportunities, unequal rights, instability, and numerous other economic and social issues. In order for relationships to be successful, they must be tended to like a plant. Visits are expected, even if nothing is purchased or negotiated; time must be put into the relationship in order for it to have a positive effect. If the relationship is neglected, the outcome will suffer.

Social Capital and Local Economic Development in Dahra

The effects of social capital on local economic development can be seen in various ways in Dahra. First on the individual level, where one's social capital influences their buying and marketing power. Secondly, through the existence of associations and women's groups that relies on one another in order to make a financial profit. Third, though the influence of the local municipality and its' role on economic development, which will not be discussed in this paper due to lack of empirical data. Lastly, the effectiveness of NGOs and their social capital, which will be discussed in a later section.

On the individual level, social capital greatly influences one's daily economic routine. People go to purchase something from a vendor based on their *relationship* (trust and reciprocity) with that vendor, not the quality of the product or service. The strength of that relationship will often influence the price of the goods or services being purchased.

Also, if an individual is in need of something new, they will inquire of their family or friends of where to go in order to purchase the newly needed good or service. The family member or friend will direct the individual to whom they prefer, thus relying on their social capital bonds. An example of this comes directly from personal experience. I moved into Dahra in October 2010 and was placed with a host family to help me adjust to Senegalese life and culture. When going to the market to buy vegetables, my host grandmother automatically told me whom to go to; it did not matter whether the produce was of good quality or not, what mattered was the relationship between the vendor and my host grandmother. This experience was repeated several times, whenever I was in need of something new, either material good or service. If I did not go to the vendor that my host family recommended, I was questioned repeatedly and somewhat shamed for not fulfilling my end of the family “obligation.” I would either have to explain the difference in quality, hide my purchases, or merely apologize and promise to visit their chosen vendor for future purchases.

The need to ask family members for help on purchasing products or services are a must though in Dahra, as marketing does not exist. If an individual wants to purchase something and does not already have the needed knowledge of where to go, one must ask someone for guidance. Also due to the lack of marketing, it is extremely difficult to introduce new ideas to the local market. A vendor may be willing to introduce a new product or service, but does not have the skills or ability to market it. The only form of marketing that is available on the local level is dependent upon one’s social capital. A vendor may use his or her’s social capital to entice others within the community try out a new product or service, but putting that influence to the test does not happen often.

The formation of G.I.Es (groupement d’intérêt économique) and women’s groups focuses on the basic components of social capital in order to generate a profit at the community level. These groups are formed using existing social networks, utilizing trust, solidarity and reciprocity as strengthening agents to formalize the group. Members of the group must work together – solidarity – to achieve a common goal; in order to work effectively, they must trust one another. Being members of a common group often leads to other social interactions, where reciprocity comes into play. Members of groups will often “test” the bonds of their new relations within the group by asking for financial help or service of some sort. If received, trust is gained and reciprocity is now indebted.

Thus, the concept of solidarity seeps into the local economic conditions. Manranz discusses how most economic needs are “met or alleviated through the solidarity and generosity of relatives and friends” Manranz 2001; 99). These economic needs can be as simple as helping with basic necessities such as food and water or for the “exceptional” cases of baby naming ceremonies or holiday parties. In Dahra, everyone talks about how they do not have any money, yet they are able to buy new outfits for holiday events or throw an extravagant baby naming ceremony, and still provide food for their families. Money is often borrowed from other family members, thus leaving them indebted to one another, as the cycle is often repeated.

Another aspect of solidarity that needs to be discussed is its’ use as a “leveling mechanism”. Manranz defines leveling mechanisms as “ways that are used in societies to keep people from getting ahead financially or of achieving something that most people would desire” (Manranz 2001, 148). The most effective leveling mechanism is that of conforming to traditional society. By doing so, new and innovative ideas are often put to rest before they even had the chance to cultivate; thus halting local economic development.

Social Capital and NGOs in Dahra

There are not too many NGOs based in Dahra, even though Dahra is considered a major economic hub, with a considerable amount of traffic passing through. The

NGOs and aid organizations whose presence can be seen is that of USAID[7], AQUADEV[8], JICA[9] and Peace Corps[10]. Both USAID and AQUADEV focus on health education in the surrounding areas of Dahra, not Dahra itself. JICA performs a variety of services in Dahra and in the surrounding villages, working with schools to improve curriculum and start school gardens to teaching local women's groups how to make soap. Peace Corps' presence has been fairly new, with me being the first volunteer. My area of focus in small enterprise development, but I have also been helping out with several agriculture related activities as well as a waste management project.

Dahra has been the recipient of numerous donor assistance programs though, which has lead to a tainted view of how development work actually works. Members of the community are familiar to having wealthy foreign investors come into town and hand out money for attending training sessions or for providing heavy machinery for projects (example: the mayor's office received a bulldozer to help transport waste outside of the city in 2003; the bulldozer now sits at someone's home without any gas in it, rusting away because the partnership has since been dissolved). Due to the community's prior experiences with NGOs, concerning social capital, there is not much trust between

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[7] USAID has been working within Senegal since 1961, investing over $1 billion in projects. Focus areas include health, food security, education, private sector development, and disaster assistance (Mullally 2010).

[8] AQUADEV is a Belgium NGO that was established in 1987 and focuses in the areas of microfinance, food security, and environment (Child Poverty Action Group 2011).

[9] Japan International Cooperation Agency (JICA) was established in 1974 and focuses its' work on the "creation of self-reinforcing virtuous cycles of mid- to long-term economic growth and poverty reduction in a constantly changing environment of developing countries where a variety of issues arise simultaneously and get entangled each other" (Japan International Cooperative Agency 2011). JICA's focus in Senegal deals with education, water resources, and agriculture.

[10] Peace Corps was established in 1961 by John F. Kennedy. The three goals of Peace Corps are: "helping the people of interested countries in meeting their need for trained men and women; helping promote a better understanding of Americans on the part of the peoples served; helping promote a better understanding of other peoples on the part of Americans" (Peace Corps 2011). The Peace Corps has had a continuous presence in Senegal since 1963.

NGOs and the local community on the surface level; USAID and AQUADEV do not actually work within Dahra, which leads to distrust. JICA and Peace Corps do work within the town, so their social capital within the community is greater than other NGOs; nevertheless, development work and trust take time to build. This lack of social capital leads to numerous problems in terms of development work; without trust, how can the local community and NGO successfully work together?

Both JICA and Peace Corps volunteers live within the community that they are assigned to work with. It is the mentality of Peace Corps volunteers that one must live as their community does, so as to see the real problems of the community. Whereas this is a wonderful tool for development work, the volunteer only completes two years of service. On average, it usually takes the first year of service to establish credibility and integrate into the community; then, due to bureaucratic processes at both the local community level and within the participating organizations, another several months to finalize plans for a project; then another few months to implement the project, thus ending the two year assignment of the volunteer. Luckily, the next volunteer can build on the previous volunteer's work projects and credibility, so integration may not take as long. However, this "credibility" can be positive or negative, depending on the social capital that the previous volunteer generated.

Another way in which social capital aids development work is through the involvement of Senegalese counterparts. Peace Corps assigns each volunteer a counterpart and supervisor, whom are their "point" persons within the local community. From my experience in Dahra, the social capital of these Senegalese counterparts is necessary. My counterpart is very well connected within the community; is known for his previous development work, and is trusted and respected. He is very passionate about Peace Corps work and development in general, so he puts his whole effort into development projects. I have been able to build off of his previous relationships, and due to the strength of those bonds, the local community has taken to trusting me and my work.

Part Three: Discussion and Conclusion

As the quotation in the introduction states : “Social capital, by which is meant the invisible glue of relationships that holds business, economy and political life together, is at the core of any country’s development” (Moyo 2009, 58). In Dahra, Senegal, social capital is what keeps the town a-float, but at the same time, keeps the local economy from substantial growth. Those “relationships” bring about peace and solidarity within the community; however, the same bonds that a person relies on in a time of trouble -- to help out with a celebration or to purchase food for the week – can be the same bonds that keep that individual from getting ahead in life.

The networks and relationships that one has in Dahra allows for the individual to survive; there is a constant support network that has been established through trust, solidarity, and reciprocity. Market transactions occur everyday between friends whose relationships only grow stronger with time. Women’s groups and other GIEs are often successful in maintaining business projects due to their network resources (both internally and externally). Bonding social capital is prevalent within these groups as they work together to achieve a common goal.

Nevertheless, it appears as though solidarity and reciprocity hinders local economic development. While an individual can always count on a family member or close acquaintance to help out in a time of need, the concept of reciprocity always leaves the individual indebted. More often the not, the “reimbursement” will be larger than the original sum or service, thus making the other individual indebted, creating a never-ending cycle.

Concerning the role of social capital as it relates to NGOs and the local community, trust is the key component. NGOs are able to provide valuable resources when it comes to networking; but without trust, which is often gained in the community via solidarity and reciprocity and hard to gain as an “outsider”, sustainable development will not be successful. NGOs must also choose strong leaders within the community with whom they work with, capitalizing on that individual’s social capital. This can be difficult at times, as most NGOs focus on helping out those groups that are marginalized and may not have a strong leader. I have been fortunate to work with several women’s groups in Dahra, each with a strong female leader who is respected by the local community. Since I am the first volunteer in Dahra, accurate data of the social capital that Peace Corps (me) provide to these groups is unavailable. Whereas bridging social capital is prevalent, to what extent cannot be determined. I have also seen how important it is to have a project “created” by someone within the community; the local community must want and have ownership of any project in order for it to be successful. For a project to be sustainable and successful, it must be “homegrown”, not transplanted by an outsider who believes that they know what is best for the community

Bonding and horizontal social capital appears to be prevalent in Dahra, yet vertical and bridging social capital is very limited. This shortage of linkages to outside the local community seems to hinder economic growth, as new ideas are hard to cultivate and the community is unable to generate economic growth on their own without the introduction of new products or services. The limited vertical and bridging social capital, along with the detrimental effects of solidarity and reciprocity, actually hinders the local economic growth of Dahra, Senegal.

Future recommendations for this research would be to create a survey based upon Krishna's case study of rural India that would effectively measure social capital and its' implications, focusing on local economic development. Due to time constraints and language limitations, a survey was not able to be produced at this time. It would also be interesting to see how advances in technology effects social capital, as more of Senegal is becoming "Westernized;" there is still a strong attachment to tradition, so it will be interesting to see how social capital changes along with Senegalese culture. Another subject matter worth researching would be to focus on the role of the Mouride Brotherhood and the effects of its social capital within Senegal pertaining to both politics and economics.

Appendix A: Map of Senegal

★ Town of Dahra (Nyberg 2009)

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