

Social Capital and Human Development: A Meta-Analysis in Iran

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Abstract: This meta-analysis aims to assess the influence of social capital on the Human Development Index, Human Poverty Index, and Gender-related Development Index in Iran. The results reveal a positive and significant relationship between social capital and the human development index (HDI). The effect of social capital on the Human Poverty Index (HPI) was negative and significant. However, no significant relationship was found between social capital and the Gender-related Development Index (GDI).

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1. Introduction

Poverty, education, and a healthy long life are among the most important issues facing human society, and social and economic development is the main solution that nations of the world have chosen to address such problems. New research has shown that social capital affects the process of development as well as the above-mentioned problems.

In recent decades, sociologists and economists have acknowledged that physical capital is not the only available and necessary kind of capital. Evidence indicates that human capital, natural capital, cultural capital and social capital also have an important role in human social life. Although social capital is recognized as a core concept of development, scholars have not given adequate attention to this concept in developing countries.

Moreover, previous research has shown that social capital is consistently and positively associated with many indicators of human development (Castiglione, Van Deth, & Wolleb, 2008; Häuberer, 2010; Norris, 2001, 2002). Social capital is fundamental to the concept of human development. Social capital involves economic development by facilitating transactions among individuals, households, and groups in developing countries (Bourdieu, 1983; Coleman, 1988; Fukuyama, 2001, 2002; Putnam, 1995; Woolcock, 1998; Woolcock & Narayan, 2000). Narayan and Pritchett (1997), and Grootaert (1999) have shown econometrically that the ownership of social capital has strong effects on improving household welfare and family economic status. Lisakka and Alanen (2006) and Nieminen (2008) identified the strong relationship between education and social capital. Alanen's research

(2006) findings revealed that an increase in trust and participation, which are two major elements of social capital, is associated with an increase in the level of education. Caplan and Choy (1992) established that people who participate in educational matters create and foster a social network, and, as a result, build social capital. In addition, many scholars have found a positive and statistically significant relationship between indicators of social capital and public health and life expectancy (Baum, 1999; Helliwell, 2006; Kawachi, Kennedy, Lochner, & Prothrow-Stith, 1997; Marmot, Wilkinson, & Ovid Technologies, 1999; Pearce & Davey Smith, 2003). Furthermore, according to Sabatini (2007), bonding and bridging social capital impede human development whereas linking social capital promotes human development.

Therefore, it can be concluded that social capital has a proven relationship with income, education and life expectancy. These three dimensions are used by UNDP to create indicators such as HDI, HPI and GDI for the assessment of human development in different countries.

2. HDI, HPI and GDI

HDI measures a country's average achievements in three basic aspects of human development: a long and healthy life, Knowledge (as measured by the adult literacy rate) and a decent standard of living (as measured by GDP per capita). The breakthrough for the HDI was the creation of a single statistic to serve as a frame of reference for both social and economic development (UNDP, 2010).

The Human Poverty Index (HPI) is an indication of the standard of living in a country, also

presented by the UNDP. The HPI uses indicators of the most basic dimensions of deprivation: a short life, lack of basic education and lack of access to public and private resources (UNDP, 2010).

The Gender-related Development Index measures achievement in the same basic capabilities as the HDI does, but takes note of inequality in achievement between women and men. It aims to show the inequalities between men and women in the following areas: long and healthy life, knowledge, and a decent standard of living (UNDP, 2010).

3. Social Capital

Social capital is 'the sum of the resources, actual or virtual, that accrue to an individual or group by virtue of possessing a durable network of more or less institutionalized relationships of mutual acquaintance and recognition' (Bourdieu, 1986). Social capital refers to connections among individuals, social networks and the norms of reciprocity and trustworthiness that arise from them. In that sense, social capital is closely related to what some have called civic virtue. Public and political participation, informal relationships, level of trust, public awareness, and rate of crime are the main indicators for the assessment of social capital (Putnam, 2000; Saadat, 2008).

4. Research Hypotheses

Based on the aforementioned, the hypotheses of the research are presented as follows:

H 1: There is a relationship between social capital and the Human Development Index in Iran.

H 2: There is a relationship between social capital and the Human Poverty Index in Iran.

H 3: There is a relationship between social capital and the Gender-related Development Index in Iran.

5. Methodology

This meta-analysis examines the effects of social capital on the three essential indicators, HDI, HPI and GDI, as presented by UNDP. We included four nationwide researches conducted in Iran: (a) level and distribution of social capital in Iran's provinces (Saadat, 2008), (b) ranking of Iran's provinces according to indicators of human development (Azar & Gholamrezayee, 2007), (c) reviewing status of Iran's provinces according to Human Development Index (Bakhtiari, Dehghani, & Majid, 2008), and (d) human development in Iran (Sadgi, Abdolahi Haghei, & abdolahzadeh, 2008). These researches provided detailed and accurate information concerning human development and social capital. We have provided a chart explaining the situation regarding the social capital and human

development indicators in each province of Iran. Then we employed SPSS software and tested the Pearson r Correlation Coefficient between variables to identify significant relationships.

6. Results

Table 1 shows that the highest rate of social capital (26.8948) was found in Golestan province, and the lowest rate of social capital was in Sistan province (12.4130). Sistan also has the lowest rate of Human Development Index (0.5820) and the highest rate of Human Poverty Index (0.3320). Tehran, in addition to the highest rate of Human Development Index (0.7780) and Gender-related Development Index (0.62), has the lowest rate of Human Poverty Index (0.0810). Zanzan Province, however, has the lowest rate of GDI (0.13).

Table 1: Distribution rate of social capital, HDI, HPI, and GDI in Provinces in Iran

Province	SC	HDI	HPI	GDI
Azarbaiejan Shargi	18.9643	.687	.206	.54
Azarbaiejan Gharbi	24.8260	.643	.220	.50
Ardabil	15.1714	.639	.223	.52
Esfahan	24.5156	.733	.128	.57
Ilam	14.8266	.708	.164	.54
Bushehr	20.6883	.720	.155	.44
Tehran	22.9292	.778	.081	.62
Charmahal Bakhtiari	23.7916	.681	.180	.50
Khorasan	25.5156	.684	.162	.54
Khuzestan	18.2747	.761	.143	.48
Zanzan	21.7227	.658	.197	.13
Semnan	13.1026	.740	.130	.50
Sistan-va-Balochestan	12.4130	.582	.332	.30
Fars	27.9292	.708	.137	.52
Qazvin	19.3091	.731	.142	.50
Qom	24.1364	.711	.141	.52
Kordestan	20.6883	.614	.242	.31
Kerman	21.7227	.713	.154	.54
Kermanshah	21.0331	.659	.186	.47
Kohgiluyeh Boyer Ahmad	13.0338	.676	.203	.45
Golestan	26.8948	.676	.162	.55
Gilan	24.4812	.709	.149	.60
Lorestan	18.2747	.676	.172	.46
Mazandaran	16.2058	.717	.143	.55
Markazi	23.1019	.734	.156	.48
Hormozgan	17.2403	.715	.200	.45
Hamadan	23.4468	.673	.172	.49
Yazd	26.8604	.740	.133	.56
Minimum	12.4130	.582	.081	.13
Maximum	27.9292	.778	.332	.62

Table 2 explains the distribution of social capital, HDI, HPI and GDI in three main categories. According to these results, 42.9 percent of provinces have high social capital, 32.1 percent are average and 25 percent have low social capital. Comparing the HDI makes it clear that 39.9 percent of provinces are

in the high rate of the index, 46.4 in the middle and 14.3 are in the low rate of the HDI index. Only 3.6 percent of provinces can be categorized as high rank when we assess HPI. More than half, 51.7 percent, of the provinces are in the low level of HPI and 39.3 are average. Finally, the results concerning GDI indicate that 78.6 percent of provinces are in the high GDI category. Table 2 also shows that 17.9 percent of provinces are average and only 3.6 percent are in the low category of the GDI indicator.

Table 2: Category Distribution rate of social capital, HDI, HPI, and GDI in Provinces in Iran

	SC		HDI		HPI		GDI	
	Fi	Pi	Fi	Pi	Fi	Pi	Fi	Pi
Low	7	25	4	14.3	16	57.1	1	3.6
Average	9	32.1	13	46.4	11	39.3	5	17.9
High	12	42.9	11	39.3	1	3.6	22	78.6

When we examined H1, as depicted in Table 3, we found a weak linear relationship between the social capital and Human Development Index ($r = .296$, $p \leq 0.05$). The positive correlation coefficient of 0.296 indicates that as the score of social capital increases, the rating for human development improves. Since the average score is 0.05 and $p \leq 0.05$, H1 is supported.

Table 3: Mean, Standard Deviation and Pearson Correlation between social capital, HDI, HPI, and GDI

	Descriptive Statistics		Correlation	
	Mean	Std.Deviation	Pearson Correlation	Sig. (1-tailed)
HDI	.69521	.04386	.296*	.038
HPI	.17189	.04679	-.619**	.000
GDI	.4868	.09918	.277	.077
SC	20.7535	4.46607		

Furthermore, Table 3 illustrates a strong relationship between social capital and the Human Poverty Index ($r = -.619$, $p \leq .01$). The negative correlation coefficient indicates that as social capital increases, the Human Poverty Index decreases sharply, and vice-versa. Since the average score is 0.01 and $p \leq 0.05$, the relationship is significant and H2 is supported.

Finally, based on the data presented in Table 3, there is no meaningful linear relationship between the social capital and Gender-related Development Index ($r = .277$, $p = .077$). Since the average score is 0.077 and $p > 0.05$, H3 is not supported.

7. Conclusion and Discussion

The results of this meta-analysis support the findings of other research concerning the positive and significant relationship between social capital and human development (Christoforou, 2010; Levitte, 2003; Deepa Narayan, 2002; Sabatini, 2007; Woolcock, 2002; Woolcock & Narayan, 2000), and the negative and significant relationship between social capital and human poverty (Bourdieu, 1983; Coleman, 1988; Fukuyama, 2001, 2002; Putnam, 1995; Sabatini, 2007; Woolcock, 1998; Woolcock & Narayan, 2000).

Furthermore, according to the Legatum Prosperity Index (2010), social capital in Iran is very weak (Iran ranked 106 among 110 countries), which could be the reason for the weakness of the relationship between social capital and the Human Development Index and the reason for the Failure of H3. Tajbakhsh (2005), Saadat (2008), and Alaghband (2006) indicated that the decline of social capital in recent years is the main obstacle for the human development process in Iran.

Another important fact uncovered by the result of this research is the severe inequality among the different provinces in Iran. Table 1 shows that Tehran, which is the capital of Iran, has the greatest proportion of human development and social capital and least poverty. However, a border province like Sistan faces a lack of proper human development, is challenged by poverty, and has very low social capital. It seems important for the Iranian government to stop focusing on Tehran and various other central provinces and consider the more distant and poorer areas of the country.

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