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# The Role of Social Capital in Empowering Women against Welfare: A Case of Home-Based Traders in Penglipuran Village



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ABSTRACT: Emerging from individual habits and a strong foundation of trust, social capital enables the development of mutually beneficial relationships and cooperation among people, and it is widely recognized for its significant influence on both society and its constituents. According to the World Bank, social capital, along with institutional factors, interpersonal connections, and established norms, plays a pivotal role in shaping the quality and quantity of social interactions within communities, acting as a cohesive force that binds community members together. The dimension of social capital grows in that society contains values and norms, patterns of social interaction in managing the daily lives of its members This study uses a quantitative approach with an associative explanatory level. This research was conducted on Home Traders in Penglipuran Tourism Village. The number of samples used in this study were 66 units using probability random sampling technique which was collected through the method of questionnaires, observation, interviews, and in-depth interviews. This study uses a moderated regression analysis technique using Partial Least Square (PLS) as an analytical tool. The results of the study concluded that: 1) Social Capital weakens Empowerment in influencing the Welfare of Home-Based Traders in Penglipuran Village; 2) Social Capital and Women's Empowerment directly affect the Welfare of Penglipuran Village Traders.

KEYWORDS: social capital, women empowerment, welfare

#### I. INTRODUCTION

The capacity for social capital emerges within individuals as a result of their habits and a strong foundation of trust, enabling the establishment of mutual relationships and cooperative interactions among people (Sawitri & Soepriadi 2014). According to Kimbal (2015), Within the realm of social capital, we find various manifestations tied to societal obligations, and these can be categorized into three dimensions of community life. These dimensions encompass social capital within economic institutions, interpersonal relationships, and the framework of social order.

Penglipuran Village, acknowledged by UNESCO as a world heritage site, is renowned for its unified Aga village layout, a distinct feature of Bali, earning it the title of the cleanest village. Back in 1993, the Bali Provincial Government designated Penglipuran Traditional Village as an official tourist destination through a decree issued by the Bali Provincial Governor. This research is based on the period 2020-2022 where the percentage of the Human Development Index per regency / city in Bali Province has increased significantly. Bangli Regency experienced a fairly low increase of 0.9 percent from 2021-2022, this indicates that development in Bangli Regency has not been able to have an impact on society, meanwhile, the labor force participation rate, Bangli Regency is at a high level of 80 percent and continues to increase from 2020-2022, this shows that the participation of the labor force in the labor market in Bangli Regency is very high when compared to other districts / cities in Bali Province. Empowering women in family life will be able to become an entry point towards improving family welfare. In connection with improving family welfare, women are required to be able to support the family's economic resilience. This condition is a strong impetus for women to work to increase their income. Inskeep (1991) Village tourism refers to a type of travel experience where a small cluster of tourists reside in close proximity to traditional communities or in remote village settings, immersing themselves in local life and gaining insights into the environment of the village. Saskara (2017) states The connection between participation and income is fortified by social capital. When it comes to enhancing the well-being of women and families engaged in the banten industry, the influence of social capital hinges on the quality of relationships between laborers, customers, and suppliers within the banten business. This underscores the vital role played by social capital stemming from community networks in ensuring the longevity of the business. In line with Yuliarmi's research (2019) looking at the influence of social capital and human capital on the empowerment of the small wood craft industry. When assessing the impact of social capital and human capital on the empowerment of the small woodcraft sector, it becomes evident that higher levels of social capital result in greater empowerment for artisans. Additionally, improved

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human capital serves to enhance both farmers and the small woodcarving industry. Social capital, characterized by trust, norms, integrity, and the establishment of robust networks among craftsmen, suppliers of raw materials, and customers, has the potential to boost artisans' innovation capacity and elevate sales turnover. (Carmen et al., 2022) Social capital is seen as a constantly evolving interplay between social networks and socio-cultural elements, collectively influencing the expectations, attitudes, behaviors, and results of social exchanges. It serves as a link between responsibilities and anticipations, taking shape as relational efforts grounded in trustworthiness. In rural settings, the cornerstone of building social capital lies in trust, and without the establishment of mutual-trust bonds among community members, other elements like cooperation and work networks may not develop effectively. (Analia et al., 2019). Trust holds a pivotal role in fostering connections among individuals, particularly in collaborative efforts. It serves as the primary catalyst within the realm of social capital for accomplishing objectives, playing a vital role in sustaining positive relationships, as relationships cannot endure without it. Trust has the capacity to cultivate mutually advantageous partnerships between parties.

The concept of women's empowerment entails equipping women with the necessary skills to effectively carry out various tasks, whether independently or in collective settings. This empowerment enables them to gain access to and assert control over societal resources, and it is widely acknowledged as a crucial strategy for enhancing the welfare of individuals, families, communities, as well as government and non-government organizations. (Aref, 2010). The significance of women's empowerment in sustaining families is multifaceted, encompassing the ethical upbringing of children and the essential contribution to the family's financial well-being, serving as a fundamental cornerstone of family dynamics. However, when it comes to enhancing the economic status of women, particularly in rural areas, they face various constraints including limited educational attainment, skill sets, job prospects, and ideological barriers associated with traditional gender roles within households. Furthermore, women encounter a set of challenges commonly referred to as the "triple burden of women," requiring them to juggle reproductive, productive, and social roles concurrently within society. The definition of well-being varies in different contexts and research perspectives. Presently, women's empowerment is a focal point in global leadership dialogues due to the global significance of gender equality. (McCall & Mearns, 2021). The implementation of empowerment initiatives occurs through the involvement of women in a rural household empowerment project in Nepal. The analysis outcomes reveal that this program has significantly facilitated economically disadvantaged rural women with low literacy levels to establish viable small-scale enterprises and engage female labor effectively. (Purwanti et al., 2020). To effectively promote women's empowerment, it is essential to tailor strategies to cater to the multifaceted requirements of women. The involvement of the community is pivotal in fostering social, economic, technological, political, and psychological empowerment within the realm of development. Women's empowerment encompasses the acquisition of fresh insights and engagement in collaborative endeavors with fellow women. Organizational empowerment entails gaining awareness and knowledge to bolster rural tourism, typically achieved through rural development initiatives or cooperative efforts. Meanwhile, political empowerment involves cultivating an awareness of the capacity to influence governmental policies concerning rural areas and matters that pertain to rural women.

The concept of welfare according to Wismuadji (2008) the relationship between satisfaction and welfare is characterized by their interdependence, where satisfaction pertains to the well-being of individuals or groups, while welfare encompasses the well-being of the broader community or society. Narwoko (2006) states the concept of welfare encompasses various elements, including but not limited to nutrition, education, healthcare, and is frequently extended to encompass broader social protections such as job opportunities, elderly care, poverty alleviation, and more. Essentially, the breadth of welfare substance is often aligned with the scope of social policies. Some perspectives propose that a household's welfare can be effectively gauged by assessing its income and consumption levels. Within the context of the household itself, the well-being of a household is typically shaped by its internal dynamics, including factors like education, employment, economic conditions, household size, and other pertinent aspects.

## II. METHOD

In this research, a quantitative approach known as the associative method is employed. This method is utilized to discern connections between multiple variables and, in this specific study, it is applied to investigate how social capital elements (trust, networking, and norms) relate to the enhancement of the well-being of home-based traders in Penglipuran Village. The location of this research is located in Penglipuran Village, Bangli Regency, using observation and questionnaire methods, this study aims to analyze the moderating influence of social capital (trust, networking and norm) in empowering women traders on the welfare of home-based traders in Penglipuran Village, using probability random sampling techniques, namely sampling techniques with sampling methods that involve random sample selection, and are part of the population. The age composition of women traders is grouped into 6, from the youngest which is 18 years old and the oldest is 68 years old, Women traders in Penglipuran Village mostly have a high school education background.

To obtain the necessary data in this study using the Observation and Interview method using a questionnaire as a structured interview instrument. In this study, the analysis comprises both descriptive and inferential techniques, specifically employing Partial Least Square (PLS) and Moderated Regression Analysis (MRA). MRA adopts an analytical method that ensures the integrity of the

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sample while offering a means to manage the impact of moderator variables. The selection of this model took into account the presence of variables that can either enhance or diminish the connection between the independent and dependent variables. Partial Least Squares (PLS) was employed as a tool to assess the influence of multiple independent variables on the dependent variable. This assessment involved examining the impact of independent variables on the dependent variable using both two-variable and multiple regressions, employing several indicators, all of which can be accomplished using Partial Least Squares (PLS). (Ghozali, 2011).

Empowerment refers to an individual's ability to gain control in social, political, economic, and psychological dimensions. This is achieved through access to information, knowledge, skills, participation in decision-making, increased self-efficacy, and influence in society. When we talk about women's empowerment, it indicates that women have the necessary capacity to perform various roles, both individually and in groups, so that they are able to access and manage resources in the social environment. The easier it is for women to gain access to technology, information, and opportunities to participate in community decision-making processes, the greater the potential for women's empowerment.

Social capital refers to the bonds and norms that influence the quality and quantity of social interactions in society as a whole. In a broader context, social capital serves as the social glue that maintains solidarity between community members. In rural areas, the element of trust is the central element in forming social capital, while other elements such as cooperation and networks cannot flourish without the basis of mutual trust between community members.

Community well-being reflects a state in which the material, spiritual and social needs of the population are met so that they can lead decent lives and be active in their social roles. The level of well-being includes things like food, education, health, and often involves other aspects of social protection such as employment opportunities, old-age security, efforts to reduce poverty, and similar elements. In other words, the substantial scope of well-being is often closely linked to the field of social policy.

### III. RESULT AND DISCUSSION

Based on data in the field, the age composition of female traders grouped into 6, from the youngest which is 18 years old and the oldest is 68 years old. the oldest is 68 years old. So it can be seen that the sample, namely female traders in Penglipuran Village is dominated by the age group, namely adults aged 36-45 years with a percentage of 25.8 percent or as many as 17 respondents. as many as 17 respondents. followed by the age group 46 to 55 years and 56 to 65 years with a percentage of 22.7 percent or as many as 15 respondents. This shows that the majority of women traders in Penglipuran Village are older people who have retired from their main jobs as well as young parents who are preparing to retire, their main job as well as young parents who are preparing for their children's future. Through observations to the field, the majority of residents who became respondents said that being a trader is a side job to fill the empty time at home, according to the responses of the respondents, in addition to time, being a trader also helps them in chatting with other residents and visitors, to chat with other residents and visitors. Respondents also thought that the time needed to pursue work as a trader is very flexible and does not have to work as a trader, are very flexible and do not have to work for a full day so they can utilize the remaining time for their work, they can utilize the remaining time for their work at home, which is mostly related to the preparation of upakara facilities in their respective homes, each.

The well-being of traders is notably impacted by the empowerment of women. In summary, it can be deduced that the enhanced empowerment of women, which entails expanded access, decision-making authority, and the fostering of solidarity among home-based traders, exerts a positive and substantial influence on the welfare of these traders in Penglipuran Village. The importance of access to education and health, the level of women's control over decisions made, and women's participation in economic activities because the purpose of empowering women is to build women's awareness of gender equality, in order to be able to develop the potential that exists in themselves, so that women can be independent and participate in development.

Empowerment is not a concept or activity that stands alone, but refers to a series of activities aimed at changing the behavior of a person or group of people in order to make their lives more prosperous. (Muhyiddin Robani & Ekawaty, 2019). indicators of women's empowerment are influenced by, education and financial and social. Empowerment itself is a relatively new approach in mobilizing and changing society. So that community change starts based on a priority scale, if the problems that occur in the community are individual problems, then they must be resolved individually first. The goal to be achieved from empowerment itself according to Ambar T. sulustyani (2004) is to form individuals and communities to become independent. This independence includes the independence of thinking, acting and controlling what they do.

The analysis outcomes reveal that social capital exerts a noteworthy impact on traders' well-being. Specifically, the indicators of social capital variables trust, networks, and norms positively and significantly contribute to the enhancement of traders' welfare in Penglipuran Village. In rural settings, social capital serves as a valuable resource empowering rural communities to actively participate in diverse endeavors, particularly within the realm of commerce. Although the numerous forms of social capital provide a platform for village communities to collaborate towards enhancing their well-being, it's important to note that the collective norms and values within the community, which serve as guiding principles for behavior and actions, do not inherently constitute social

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capital; they are only regarded as shared norms and values that emerge from a foundation of trust. The importance of implementing trust, networks, and norms in the social life of traders, because the values of trust and norms among members will lead to cooperation and solidarity. The value of trust among members and mutual benefits will create networks and policies. Meanwhile, norms will create healthy competition and business continuity that lead traders to prosperity.

That there is a significant relationship between social capital and the welfare of roof tile entrepreneurs in Karang Penang, Sampang, the functions of social capital include 1) norms: rules or cultural values and local wisdom of the village community as an effective means of fostering norms or rules that apply that are not written to regulate social life; 2) Trust: built on the basis of the stability or regularity of the quality of roof tiles in fulfilling orders; 3) Network; the network in the roof tile business starts from the informal network, namely family relationships and friendships, then the formal network, namely cooperation with the juragan to obtain capital (Asmara & Ilmiyah, 2021).

The analysis outcomes reveal that the social capital variable has a positive effect in moderating but not significant women's empowerment on the welfare of traders, so that the effect of women's empowerment on welfare will be higher for traders with the application of social capital indicators compared to women traders who do not apply social capital indicators.

### **CONCLUSIONS**

- There is a clear and meaningful connection between women's empowerment and the well-being of traders in Penglipuran Village. This research underscores that as traders become more empowered, their welfare experiences a corresponding improvement. Nevertheless, it is imperative to prioritize enhancements in education and healthcare accessibility for traders in Penglipuran Village to ensure a more equitable distribution of their welfare.
- A noteworthy and affirmative link exists between social capital and the well-being of traders in Penglipuran Village, as evidenced by the study's findings. These results highlight that enhanced implementation of social capital indicators not only fosters traders' inner contentment but also contributes to the enhancement of their welfare. This underscores the significance of positive interactions among traders themselves and between traders, business partners, and buyers.

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