



SOCIAL CAPITAL

THE SECRET COMMODITY THAT ENSURES SUCCESSFUL MINING COMMUNITY DEVELOPMENT

Meet Joy. A grade 12 orphan from a mining town in Gauteng. With five distinctions, an acceptance letter to study LLB, yet no funding or social support and therefore no hope of fulfilling her potential. Luckily Joy's story did not end there. A local mining house contracted us, Beulah Africa, to do an interactive socio-economic study in her community. Through engagements with local community members we've learned about the orphanage where Joy lived. A few days later we visited the orphanage and subsequently met Joy. We reported back to the mine about her unfortunate situation and the mine agreed to sponsor Joy to start her studies. Through ongoing communication with Joy, we've realised that adjusting to the big city and varsity life was not easy. We've then connected her to a social/ ministry group on campus who helped Joy make new friends from different backgrounds and establish a strong support network around her. She successfully completed her first year with great marks and amazing prospects to reach her dreams. #itsBeulah

So who should be seen as the hero in Joy's story? Perhaps it's not "who" but "what". Social Capital – the secret commodity that will ensure successful mining community development!

So what is Social Capital? **Social Capital is the positive relational fabric in communities. A sense of belonging and togetherness.** It's entrenched in principles and values such as goodwill, trust, solidarity, general reciprocity and civic engagement.

Social Capital can be placed in three categories namely Bonding, Bridging and Linking Social Capital. **Bonding Social Capital** relates to internal ties within horizontal networks and relatively homogeneous relationships. **Bridging Social Capital** also refers to horizontal relational networks, but in this regard heterogeneous relationships between actors different from oneself in terms of occupation, ethnicity, or geographical location. **Linking Social Capital** describes vertical ties with formal institutions and relationships with organizations or stakeholders even further removed from the bridging group. Linking Social Capital is also indirectly associated with access to other forms of capital, such as economic capital.

So in Joy's situation all three these forms of Social Capital played a vital role in her #itsBeulah story.

Bonding Social Capital with people within her own community who took care of her and informed us of her situation. Linking Social Capital with the mine who genuinely cared and enabled her to start her studies, and Bridging Social Capital with people who then created a new home for her at varsity.

It's important that we recognize and appreciate the role that each of these types of Social Capital play in community development so that we do not overemphasize the one over the other. If not carefully observed, social capital can easily be broken by large investment projects. **More finance does not automatically translate into more trust, reciprocity, honesty and understanding towards the company or the community members themselves.** Therefore, companies have to be focused on respecting, protecting and even enhancing local relationships at all three levels of Social Capital.

Social Capital is to a large extent "free" but it is definitely not cheap! It requires ongoing maintenance and, unlike financial capital, it is based on emotions, experiences and perceptions. Unfortunately, the South African mining industry is marked by trust deficits and perception gaps. Communities are annoyed and distrusting although great developmental progress has been made by mining companies in recent years. This is mainly because communities' attitudes towards mining companies are often based on their perception of the negative socio and environmental legacies of mining in the country as a whole, and not necessarily on the realities of a specific local operation.

The benefits of strong Social Capital are tremendous, while the price of disregarding it is devastating! So for companies there is only one proper response – build more trust. Work at the relationships. Focus on creating systems and structures that fosters all three types of Social Capital. Practically this can mean participating in voluntary community events as observers and not only as sponsors; having communities contribute resources towards joined development initiatives, be it time or money; ensuring active participation in project planning processes; have open dialog discussions on pressing community matters, etc.

Successful mining community development is possible, the secret lies in strong Social Capital!



ABOUT THE WRITER

Roné Coetzee is a social entrepreneur and a sustainable development activist specializing in rural, agrarian, health, education and social development. She holds a Masters degree in Development Studies (UFS), a Bachelor's degree in community development (UNISA) and numerous certificates relevant to mining, training, BBBEE and Social Responsibility.



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