

SOCIAL CAPITAL AS THE FOUNDATION OF THE INTEGRATED INDEPENDENT DEVELOPMENT

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ABSTRACT

Social capital is a determinant for unequal regional development and is needed in human, social, economic, and political fields. The capital, such as trust, social networks, and community norms or values has advanced to include factors that have direct and important impacts on regional development. Therefore, this study analyzes social capital as a basis for development in Sangatta city, East Kutai Regency, and also identifies the supporting and inhibiting factors. A qualitative descriptive method was used to collect information about real and current situations, which were then analyzed according to Moleong's technique that focused on field processes. The results showed that public trust in regional development displayed strong support in terms of facilities, education, and health. Also, the norms or values in society were formed from diverse ethnic groups, religions, and regional origins. Therefore, the complexity of forming social networks based on kinship and common political views has an impact on efforts to support or hinder regional development. The supporting factor for regional development in North Sangatta is that the area is a center for offices, government, and the economy. It is also the main location in East Kutai to attain work or business opportunities. Meanwhile, the inhibiting factors were limited budgets, population, and the suboptimal implementation of regional regulations. Consequently, these factors are the realities experienced in making social capital a basis for regional development in Sangatta city.

Keywords: Social Capital, Development, Regional, Community

INTRODUCTION

Regional autonomy has given great authority to local governments to manage affairs and increase the development capacity (Setianingsih, 2015). The government and this strategy play important roles in determining the success of implementing regional development activities (Soares et al., 2015; Bejko et al., 2015). Therefore, local governments need to ensure the effective and efficient use of public resources and services, especially of those at the levels closest to the community. Regional development should aim to stimulate and diversify economic activity, promote investment in the private sector, create new job vacancies, and improve community living standards (Dhimitri et al., 2015). Each region has different potentials regarding natural, human, geographic, and socio-cultural resources, and is each required to perform development based on a regional approach (Haridison, 2013).

Social capital is required in human, social, economic, and political development and includes norms, values, and networks, which have expanded. It is also a factor that has a direct and important impact on regional development (Putnam et al., 1994; Westlund & Larsson, 2016). Although the role of social capital in regional development has not yet dominated, it is being increasingly recognized (Westlund & Larsson, 2016). Furthermore, several studies have postulated that a key aspect of good governance is social capital and that it leads to outcomes associated with more inclusivity (Putnam et al., 1994; Tennert, 2016). Civil society and social capital have been the staples of political science and public administration since the publication of Robert Putnam's book "Making Democracy Work" in 1993 (Tennert, 2016). The strategic planning process for regional development usually begins

with a political decision, and local authorities are always rational in this aspect. Therefore, it is possible to establish several approaches for strategic plans and related development programs (Bondaruk & Komarovskiy, 2015).

The concept of social capital is currently developing based on the understanding that this capital will affect community involvement in organizational performance (Edy et al., 2013). Also, the existence is important due to the influence on the public concern, which in turn affects political participation (Akdere, 2005). Based on the research and development of existing theories, a reference will be developed in this study. A qualitative approach was used to determine and explain social capital as the core of the vision and mission in the regional development of East Kutai Regency, which is known as the Independent and Integrated Village Development Movement (Gerbang Desa Madu). Social capital is the local wisdom of East Kalimantan, which is used as the foundation for development to achieve a prosperous society that consists of beliefs, norms, and institutional networks.

The goal of development that begins from the village is to create regional and community independence. Village Minimum Service Standards (SPM Desa) are the community rights that should be provided by the government in East Kutai Regency. This regency comprises 23 underdeveloped, 106 developing, and four (4) independent villages. The number of underdeveloped and developing villages has made the Regent and the Deputy serving from 2016-2021 to formulate a leadership vision and mission. This is represented by the Integrated Independent Village Development Program, which is also included in the Regional Medium Term Development Plan (RPJMD) of East Kutai in the same time frame. The program is also a mandate to implement the Indonesian President's third nine-point development agenda (NAWACITA). This agenda is to "Build Indonesia from the periphery by strengthening regions and villages." Based on this NAWACITA, East Kutai Regency is required to change the development paradigm that makes the community the subject and not an object. Furthermore, this regency is expected to create a developing village to achieve independence.

LITERATURE REVIEW

Social Capital

Social capital is a community resource, which involves norms or values that facilitate and build cooperation through harmonious and conducive interactions, as well as communications. It is also a source of strength or power in some social conditions. This resource, which is formulated as social obligations has been institutionalized into common life, roles, authorities, responsibilities, reward systems, and other attachments that result in collective actions. Social capital is a relationship formed from norms, specifically from the creation of unity simultaneously within group members, and arises from interactions between people in a community. It has elements of trust, values, norms, and social networks. Meanwhile, a social network is a bond between knots, particularly people or groups, which are connected to the media or social relations and tied with trust. Giddens defines trust as a belief in the reliability of a person or system related to various results and events. This belief expresses a leader or imam towards the love of others, the accuracy of abstract principles, or technical knowledge (Damsar, 2009).

According to Fukuyama (1996), trust is hope in a society that is shown by regular honest behavior and cooperation based on shared norms. It functions to reduce or minimize the danger that comes from certain activities, and usually refers to possibilities, not risks. Also, trust does not enhance the human ability to cooperate based on cognitive rational calculations. Instead, it does this through consideration of a buffer measure between desperately needed desires and partial expectations that are likely to disappoint. Hence, cooperation is impossible if it is not based on mutual trust among the parties involved, as this can increase tolerance for uncertainty (Damsar, 2009).

Social capital is born from the bottom-up, is based on mutually beneficial interactions, and is not hierarchical. Although not a product of government initiatives and policies, it can be increased or destroyed by the state through public policies (Cox, 1995; Onyx, 1996). Furthermore, social networks can be formed from interpersonal relationships, between individuals or networks and institutions. It may also require the support of two other dimensions, as neither cooperation nor social networks, can be realized without being based on norms and mutual trust. There are many social capital issues related to development that should be studied and developed (Westlund & Larsson, 2016) as, without it, society will generally collapse (Dasgupta & Serageldin, 2001). Social capital has been extensively discussed in the social sciences, and the articles published continue to increase. In 1981, there were 20 articles, which rose to 1,003 from 1996 to 1999 (Harper, 2001 in Field, 2003). Meanwhile, Robert D. Putnam, an American political scientist, first introduced the terminology “social capital.” This researcher defined it as a part of an organization, such as a belief, norm, and social network that can improve the society’s efficiency by facilitating collective action (Field, 2003).

Therefore, social capital can be defined as the ability of people to work together to achieve common goals within various groups (Fukuyama, 2000). It is the ability of individuals to associate or relate with each other and then become significant forces for both economic life and every other aspect of social existence (Burt, 1992). The social capital, which also entails the human dimension is quite broad, and according to Grootaert and Bastelaer (2001), comprises several indicators used for the various components. These include beliefs, norms, values, social networks, and citizen involvement (Bhuiyan & Evers, 2005). The main and most important element of this capital is trust (Fukuyama, 1995), while other key components, as published by Putnam (1993), are social norms and networks. This capital, which consists of institutions, relationships, attitudes, and norms, governs how interactions between people can contribute to economic and social development (Grootaert & Van Bastelaer, 2001).

The debate and ideas regarding this phenomenon have made tremendous progress and have been widely applied to social science literature during the last few decades (Grootaert et al., 2004). In this modern globalization era, where the world economy is a pro-free market, it is becoming increasingly clear that the role of non-human capital in the economic system tends to diminish. The current economic system is increasingly convinced that capital does not solely involve production equipment, such as land, factories, tools, and machinery (Coleman, 1994). Hence, it has been extensively discussed and applied in social and environmental research and has received a lot of concern as an important instrument to encourage collective action in the management of natural resources. However, evidence shows that social capital is not always sufficient to encourage collective action in natural resource management (Suandi, 2012). Furthermore, it is also called a theory that is quite difficult to apply, or a “slippery concept” (Johnston & Percy-Smith, 2003) and has received a lot of concern in the social and environmental research literature (Jones, 2005).

Social capital is a feature of organizations, such as beliefs, social norms, and networks that facilitate coordination and cooperation for mutual benefits. Some definitions given by experts show that it is a crucial lubricating element for the development of cooperation between individuals or groups to advance collective cooperative behavior (Putnam, 1995). The damage to social capital is more often caused by use and not disuse. In contrast to human capital, the social equivalent also refers to people’s ability to associate with others (Coleman, 1994). Based on shared norms and values, these associations between humans produce trust, which in turn has a large and measurable economic value (Fukuyama, 1995). Referring to Riddell, it is composed of three parameters, which are trust, norms, and social networks (Riddell, 1997).

Regional Development

The regional development theory emerged from different intellectual traditions. Neoclassical trade and growth theories provide a conceptual basis for understanding the probability of regional economies becoming more similar or different over time (Dawkins, 2003). Currently, the concept of development is considered to be multidimensional. Apart from economic growth, the development also brings about social welfare, changes in workforce quality, better community organization, and institutional functioning, which is the evolution of society as a whole. Development means urbanization, industrialization, education, professionalism, knowledge, and wealth accumulation to adequately fulfill human needs. Therefore, the most important objectives for the government are to enable regional or state development and to improve the welfare of the citizens through state policies at local and national levels. In this context, the use of a strategic planning concept in policy design is significant, to enable sustainable economic and social development at local and national levels (Bejko et al., 2015).

Regional theories of growth and development can be classified according to schools of thought to entail traditional and modern aspects, as well as other parameters. The main regional growth and development theories are in four directions, depending on the exogenous area, developmental factors, or endogenous dimensions that dominate each theory. Although the first two groups of models reflect a top-down regional development concept more, the last is more indicative of a bottom-up concept. Traditional exogenous development models dominated in the 1950s, agglomeration in the 1960s, regional endogenous growth and development in the 1970s, while the innovation models have remained prevalent since the 1990s (Svetikas, 2014).

The strategic planning development concept comes from military science terminology (Field, 2007) and was later adopted by managerial, economic, and regional science. Kotler & Keller (2006) define strategic planning as the process of creating and maintaining a sustainable alignment between organizational or regional goals, skills, and resources. Furthermore, Ocasio and Joseph define it as the process of determining clear objectives and selecting future and systematic actions (Ocasio & Joseph, 2008). Gavriilidis and Metaxas measured eight areas during the identification of strategic planning for successful development. These were city development, tourism, transportation, health care, education, energy sector, land use, and housing, as well as the local government (Gavriilidis & Metaxas, 2017). Local governance is a broad concept and is defined as the formulator and implementer of collective actions in the community.

The goal of this concept is to ensure the effective and efficient use of public resources and services at levels closest to the citizens. Regional development is a new concept that aims to stimulate and diversify the economic activities of a country or region and promote investment in the private sector. It also plans to create job vacancies and improve the living standards of the people and the country. Furthermore, regional development policies are several measures designed and promoted by the central and local governments, where cooperation is implemented by the actors on different sides, including the private sector and civil society. The center of these policies or practices is the efficient use of each region's potential (Dhimitri et al., 2015).

METHOD

This research used a qualitative descriptive approach. Based on the method according to the purposes and objects, it is a case study that aims to investigate the current state of life in-depth. It is performed with a background in interactions with the environment. Measurement at the micro-level is associated with the household and/or individuals, while the aim of the research is exploratory. Furthermore, the research approach is descriptive, which seeks to describe solutions to existing problems based on data. It also tries to understand the phenomena that occur and are experienced by the research subjects holistically and comprehensively. This study is designed to gather information about real and currently

occurring situations. The quantitative descriptive aspect explains the results of using instruments, such as tests or surveys, in collecting data.

The research location was Sangatta, the capital of East Kutai Regency, precisely in the North Sangatta sub-district, and the data obtained came from primary and secondary sources. Subsequently, the primary data was from informants that were selected by purposive sampling. The first group of informants was from basic service, particularly education and health, while the second was from infrastructure, comprising clean water and electricity services. Conversely, the secondary data came from sub-district or village demographics. Meanwhile, the data was collected through structured interviews, participatory observation, and documentation techniques. The structured interviews were useful in gathering information with guidelines, and a list of questions was prepared to collect data during this process. Participatory observations were employed as supplementary data for the interview, while documentation was useful to complement the use of the first two methods.

The data analysis and collection techniques were according to Moleong and were focused on the field process. This process began by examining all data from various sources, such as interviews and observations that had been written in field notes. It also included personal and official documents, pictures, photos, and so on (Moleong, 2015). The qualitative data analysis model, which applied the Miles & Huberman method, began with data reduction by selecting and focusing on the main or important items and then determining themes and patterns. Second, the data presentation or display was formulated as a narrative text, which contained descriptions, charts, flowcharts, and links to a framework of thought. Third, conclusions or verifications were made, which comprised new findings and were supported by credible and valid evidence. The data validity technique used triangulation of sources, techniques, and theories. Source triangulation was executed by checking data from other informants, while the technique variant was performed by combining interviews, observation, and documentation. Meanwhile, theory triangulation was implemented by comparing one or more existing theories or by observing one phenomenon and several theories.

RESULT AND DISCUSSION

The development of Sangatta city is inseparable from community participation and the concern of the private sector, especially the companies around the area. Not all the development programs by the local government, particularly in the North Sangatta sub-district, have been able to run according to the community needs. Therefore some developments, such as alleys and others, are assisted by companies through the Corporate Social Responsibility (CSR) program. Some have also received criticism from the community, especially concerning the uneven development. Furthermore, the Head of the East Kutai Regional Development Planning Agency, Bappeda, explained that “there are still uneven road constructions or development proposals that do not correspond with the community needs. Community socio-cultural development is also very essential and has not run optimally. In the development of Sangatta city, a strong network and accurate information are needed to ensure the planning is right on target”.

Trust

The most important element of social capital is trust. It includes the community's trust in government and must be the major and most important capital to develop a region. When a society believes in government performance and can play an active role in regional development, the success of these achievements will be better. Based on the five development indexes “Gerbang Desa Madu” in East Kutai, it is used as a benchmark to describe the community's trust in development in the North Sangatta sub-district.

No.	Basic Indicators Scope for East Kutai Development	Trust is built from
1	Basic Services	Increasing basic services, ranging from hospital facilities, health centers, and integrated health service posts. It also involves schools ranging from kindergarten, elementary, junior high, and senior high school, alongside universities (STIPER, STIE, and STAIS).
2	Infrastructure	This is reflected in electricity network facilities, clean water (PDAM), markets, shops, and communication infrastructure
3	Accessibility/Transportation	Availability of communication infrastructure, public transport, and traffic facilities.
4	Public service	Extraordinary Events (KLB) and malnutrition handling, fogging, and the availability of sports fields or stadiums, as well as several recreational areas with sports facilities.
5	Government Administration	The completeness of regional or village government is increasing, both buildings/assets and human resources.

Social reality is an actuality occurring in people's lives, is considered real, and is the result of social construction. The people of Sangatta city have placed their trust in the health facilities available, which are very adequate, and range from health centers, public, private, and maternity hospitals, etc. This reality is illustrated by the activities in each available health facility, which are accessible by many people. Public trust is also reflected in their participation in health insurance, particularly the Social Security Administering Body (BPJS). According to the Head of this body, the health insurance implementation for East Kutai residents is yet to reach the 95% target, and is still around 78% here, but has achieved the 80% target achieved in Sangatta. Also, educational facilities, which are the main basic services at kindergarten, elementary, junior, and senior high school levels, are available and are easily accessed by the public. Moreover, the local government has formulated policies in the implementation of educational affairs in East Kutai Regency into various programs, such as the 12-year compulsory education program, which is free of SPP. It also includes incentives for education personnel, for the costs incurred by both Civil and non-Civil Servants, alongside increased quota, and Kutim cemerlang scholarship amount. This has improved the quality of education in Sangatta city, which has also increased public confidence in utilizing the existing facilities.

The Sangatta community trust is also reflected in the availability and condition of infrastructure, which represents basic needs, such as facilities and local economic development. Furthermore, the described social reality refers to infrastructural availabilities such as several banks or branches, markets, terminals, electricity sourced from PLN, clean water from PDAMs, and communication or internet networks. The community's trust in accessibility and transportation is the specialty and priority of village development as a link for socio-economic activities that are observed in the daily practices. These activities can run smoothly because the inter-village or connecting road is permanent for example, Yos Sudarso street is a highway shopping center, along with Sangatta city. Also, road access to the sub-district, village, and Bukit Pelangi office areas are permanent roads. Furthermore, roads within the area of the four villages in Sangatta are asphalt or concrete roads, including the alleyways.

Norm

Apart from religion, the socio-culture in Sangatta is very diverse and represents a separate force in their societal lives. These diverse ethnic groups, which include Kutai, Dayak, Bugis, Javanese, Banjar, and so on, all have customary norms or rules that maintain togetherness by respecting one another. Many associations, ties, or protections based on

regional or ethnic origins have been formed in Sangatta, which generally have the same passion to maintain togetherness and support the development of East Kutai Regency. Since the creation of Sangatta town, there has never been any horizontal conflict due to religion and ethnicity. This proves that the diversity of the social life of these people has run harmoniously and has become a basic asset in supporting regional development. There are several organizations in Sangatta, such as Sempekat Keroan Kutai (SKK), Javanese Family Association (IKJ), Banjar Family Harmony (KKBB), South Sulawesi Family Harmony (KKSS), and North Sumatra Family Association (IKMS).

Apart from these associations, there are currently hundreds of Community Organizations (Ormas) and Non-Governmental Organizations (NGOs). Although these organizations are registered in the Directorate-General of National Unity and Politics, East Kutai, only a few are active and provide regular reports. Meanwhile, North Sangatta is in a state of emergency caused by waste management because a lot of garbage belonging to the community is not transported, producing an unpleasant smell. "The Temporary Disposal Sites at Central Market and Road 9 have been closed because they are already overloaded and cannot accommodate more garbage. As a result, transporters of garbage from home to the TPS have to queue for 3 to 4 days." Based on the findings in the field at several points in the city, it was discovered that there are several locations where residents are aware of waste management. In Lingga Bay, one neighborhood was independent and received assistance from the company in waste management. Also, in one of the neighboring villages in North Sangatta village, there was a resident highly concerned about environmental cleanliness. This shows that not all residents in this city are ignorant of environmental cleanliness and norms regarding waste processing. In Kabo Jaya Hamlet, Swarga Bara Village, there is a compost house managed by residents. Therefore, a clean environment is significant in the social life of these people, and related regulations have been made in Regional Regulation Number 7 of 2012 concerning Waste Management in East Kutai Regency.

Social Network

High social capital has an impact on the increased participation of civil society in various forms. The positive result is greater accountability of the government and effectiveness encouraged by a high level of social capital. The development of this capital will create a tolerant society and stimulate the growth of empathy and sympathy for community groups outside the vicinity. Hasbullah (2006) explained that networks, which strengthen social capital, will facilitate the channel of external information and ideas that stimulate the development of community groups. The result is the creation of a society that cares about various aspects and dimensions of life's activities, gives mutual attention, and trusts one other, which promotes a peaceful, friendly, and serene community life. Furthermore, through a good government system, the state can promote the strengthening of social capital that supports the development of good beliefs, values, and norms. This can be performed by creating a conducive situation to strengthen social networks and stimulate the growth of a proactive attitude of a developing society. For example, in a survey of 114 communities in Iowa, America, Rice (Putnam, 1993) discovered several elements or indicators of social capital, including interpersonal trust, citizen ties, networks, and political equality. Also positively and significantly correlated with the performance of two governments were responsiveness and effectiveness. The relationship observed after conducting regression analysis was used as a control for the distribution of income, age, as well as racial homogeneity.

By accelerating regional development, the government of the East Kutai District has facilitated the involvement and participation of stakeholders. The local government collaborates with Kaltim Prima Coal Company through the Corporate Social Responsibility Program in the educational, social, and infrastructural, etc., fields in the North Sangatta sub-district. Also, the social network built through a partnership for the development in this

region is manifested in the construction of the Sukarno-Hatta road infrastructure. Furthermore, the park is collaboration between the local government, the Indonesian National Army, and the KPC Company. Other infrastructures include alleys in Sangatta city and Integrated Service Post managed by Family Welfare Empowerment in the sub-district of North Sangatta Village. These facilities are forms of attention to the role of the private sector in providing building assistance and improving public health, especially for residents in Neighbourhood 6 and 31. There are also assistance or community development and empowerment programs (PPM) of the KPC East Kalimantan Company, East Kutai (Kutim) for the North Sangatta community. Also, there is help from the Community Development and Empowerment Program (PPM) and the CSR at Village-Owned Enterprises (BUMDes) in North Sangatta Subdistrict. The KPC Company External General Manager and a community leader said, "We express tremendous gratitude to the East Kutai Government, which is still loyal and committed to community development and empowerment through cooperation." Also, the leader added expressed "hopes that the program that has been implemented will continue to achieve the Desa Gerbang Madu according to the vision and mission of East Kutai development".

Supporting Factors for Regional Development

The supporting factors for development in the North Sangatta sub-district arose based on social realities, starting from community life activities, status, culture, and education. These realities form social capital, such as beliefs, norms, and networks, to encourage and support regional development. The factors that support development in North Sangatta include the existence as the capital of East Kutai Regency, office centers for the regional government and private companies, as well as economic centers, including banks and shops. Also, this region is the center of education and health in East Kutai Regency, has the dynamics of rapid population change, and has become a destination for those seeking employment or business opportunities with diverse expertise from various regions in Indonesia. As the capital city, the regency is required to be an example and a better development model than other regions, concerning public services, education facilities, health, and other infrastructure that are the mainstay of these people. Meanwhile, Sangatta city has benefited from the strategic position, which is the trans-East Kalimantan-North Kalimantan road route that connects the cities of Samarinda, Tanjung Redeb (Berau), and Malinau. Therefore, it acts as an economic route that directly impacts regional development while the trans-East Kalimantan route is also the Yos Sudarso Road and is the center of settlements and shops, as well as other economic activities.

Concerning social networks and the supporting factors for regional development, the process of the development and maintenance of social relationships by circular migrants with each other is observed. These persons are from the same village based on their regional origin, kinship, neighborhood, friendship, or a mixture of these elements to obtain social and economic resources in Sangatta. As migrants originating from rural areas, they encounter various problems during arrival in the city. These issues are related to where they live, how their daily needs are fulfilled, and how to perform activities or develop businesses to properly live in the city. The important role of old migrants or those that have lived for a long time in Sangatta is not only in choosing a job, as this will also affect the success rate of migrants in performing their business activities. In North Sangatta, many food stall owners from Java, Sulawesi, and Padang from Sumatra are seen, and several other businesses, such as shops, were discovered to be owned by Banjar people.

Inhibiting Factors for Regional Development

All the supporting and inhibiting factors related to development, such as environmental, social, and economic conditions, should be known to optimize the

implementation process and provide the desired or planned changes. The inhibiting factor for development in North Sangatta District is the limited development budget from the East Kutai government, which must be distributed to 18 sub-districts. Community participation is still weak regarding development in their neighborhoods or the north, and this poor socialization is related to the activities performed by both the government and the private sector. There is also rapid population development characterized by migration, urbanization, expansion of settlements, and increased land requirements, which make the distribution, have an uneven composition. Furthermore, some regulations have not been implemented optimally. The Sangatta people have a culture of being a city close to coal mining areas and local government offices that are always busy with work or business matters. Therefore, they do not care about development in this area.

The low achievement of education development in East Kutai is due to the vast area of the region with 18 sub-districts that demand equity. North Sangatta benefits from being a capital city and the education development in the area is increasingly attended to, including private assistance from the closest company, PT. KPC through CSR funds. The head of the East Kutai health office, Bahrani Hasanah, revealed the fundamental problem that occurred at the public health center in North Sangatta Regency. It was stated to be the inability to serve the residents that came for treatment due to the crowd of visitors at the center. This was conveyed by Bahrani in response to the public complaints about the sluggishness of the services provided by one of the main health centers in Teluk Lingga village in the Sangatta sub-district. Concerning these service standards, the office head stated that one public health center can only accommodate 34 thousand residents, against 120 thousand people being the current population of North Sangatta Regency. Therefore, there should be at least four public health center units serving these residents, which is a problem of basic services in this district. As for the Teluk Lingga village health center, in the last few weeks, two doctors were alerted and assigned to provide services at the District Secretariat clinic and the public health center. To overcome this, it was said that the party would immediately look for a replacement doctor to fill the temporarily vacated position.

Apart from demographics, social networks that do not always have a positive impact on development, weak socialization, community participation, another factor hinders regional development. This is the application of regulations that become norms or values in social capital, which should have a positive impact on regional development. Although the local government enacted Regional Regulation Number 7 of 2012 concerning Waste Management, the waste problem has not been resolved optimally until now. Meanwhile, research by Husna, et al. (2019) explained the reasons why the regional regulation of East Kutai Regency regarding market management had not been optimally implemented. This was because the buildings, which had been physically regulated in the regional laws and were widely available, still had many uses and were suboptimal in both the public and supporting facilities in Sangatta city markets. The factor hindering the implementation of these regulations was the traders that often had difficulty in coordination. Therefore, the two issues above show that there is non-compliance with the prevailing norms, and apart from weak awareness, public trust as the main social capital is still not fully positive towards the acceleration of regional development.

CONCLUSION

Social capital, which includes trust, norms, and social networks, is very important and forms the basis for regional development. The trust of the North Sangatta Regency people in basic services such as education and health continues to grow along with the construction of associated facilities. Meanwhile, the norms or values that develop are formed from the diversity of ethnicities, religions, or regional origins, so this complexity has an impact on the weak implementation of existing regulations. Social networks that are based on kinship, neighborliness, friendship, mutual politics, or mixed views can have positive and negative impacts on regional development. There are several supporting factors for regional

development in North Sangatta, which include the capital, regional government offices, private companies, and economic centers. It also comprises education and health facilities in East Kutai Regency, as well as the existence as a destination for employment or business opportunities. Conversely, the inhibiting factors are the limited budget, weak public participation, poor socialization related to development activities, population development, and the sub-optimal implementation of the regulations. Consequently, these factors are the realities that can form social capital.

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