Social Capital and Participation in Moslem Organizations

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Abstract
This study aims to address the impact of participation in Moslem organizations on social capital in a setting of a country with the biggest Moslem population in the world. A survey of members and non-members of Moslem organization Muhammadiyah in Bandar Lampung City was conducted. The quantitative approach is used to display the data on the degree to which Muhammadiyah Moslem organizations' involvement has impacted the social capital index. The data analysis technique used is propensity score matching (PSM) analysis. The findings demonstrated that members of Muhammadiyah and non-Muhammadiyah had different social capital indices. Additionally, a person's involvement in Muslim groups significantly affects social capital. It suggests that Moslem organizations are not only present to provide religious understanding for their members but also capable of providing added value for them, that is, the addition of social capital for each member. Keywords: Social capital, Moslem Organizations, Propensity score matching

INTRODUCTION
Indonesia is the biggest country with a Moslem population in the world. In 2015, the world's Moslem population reached 1.7 billion, or around 24% of the total population, which reached 7.3 billion. That year, Indonesian Moslems' total population reached 219.9 million people. Meanwhile, the country with the second-largest Moslem population is India, with a population of 194.8 million. Followed by Pakistan, Bangladesh, Nigeria, Egypt, Iran, Turkey, Algeria, and Iraq (Lipka, 2017).

The Indonesian Moslem community needs a place to explore and contribute more advocating for Islamic values in society. October 16th, 1905 was an important moment in the history of the Indonesian national movement, as according to some literature, the Islamic Trade Union was established by Haji Samanhudi on that day.
Based on data published in 2010 by the Home Affairs Ministry of the Republic of Indonesia, Indonesia has 364 Muslim Organizations spread throughout Indonesia. From 1936 to 1949, Indonesian organizations made a major contribution to the fight for Indonesian independence, including political, military, and Moslem organizations. Muhammadiyah and Nahdlatul Ulama (NU) are two organizations that have made significant contributions to Indonesia's independence, both before independence and in favor of independence. Muhammadiyah is one of the largest Islamic organizations in Indonesia. Muhammadiyah was established in Kauman Village, Yogyakarta, on Dzulhijjah 8th, 1330 H/November 18th, 1912 by KH Ahmad Dahlan.

Since then, the number of Moslem organizations has increased and influenced the life of Indonesian society. Moslem organization is also obliged to take part in contributing to the promotion of economic welfare. According to Cherrington (1994), an organization is a social structure with an organized pattern and is formed by people whose members are a group of people to achieve a certain goal.

Nowadays, Muhammadiyah has spread to all regions of Indonesia and has significantly contributed to society. One evidence of Muhammadiyah's contribution is the educational program run by Muhammadiyah through establishing Islamic-based educational institutions. This formal education is provided from kindergarten, primary school, junior high school, senior high school, and university levels.

Muhammadiyah does not only focus on religious activities. In running the organization, Muhammadiyah has a council and institutions covering almost every aspect of life, from the economic, social, and journalistic aspects. In the economic aspect, Muhammadiyah has the Lazismu zakat institution and the Baitul Tamwil Muhammadiyah. In the social aspect, Muhammadiyah has a disaster management unit named the Muhammadiyah Disaster Management Center (MDMC). Muhammadiyah also has a journalistic media named Suara Muhammadiyah. In the city of Bandar Lampung, Muhammadiyah has a Muhammadiyah Regional Institution, which serves as a management office for all the activities of Muhammadiyah at the city level. The Muhammadiyah Regional Institution of Bandar Lampung City covers 11 sub-districts that spread around Bandar Lampung.

Many Indonesian figures have been involved in Moslem organizations and have contributed to Indonesian society far before the fight for the nation's independence. Buya Hamka was a Moslem scholar, writer, and historian, who did many activities at Muhammadiyah and has published several books on Islam and literature. Abdurrahman Wahid, famously known as Gus Dur, was Indonesia's 4th president and an active Moslem organization Nahdlatul Ulama member. Nowadays, many community leaders are involved in Moslem organizations and have made positive contributions by participating in politics, such as being members of the legislative council.

In the 500 Most Influential Moslems in The World published by The Royal Islamic Strategic Studies Center (RISSC), 23 names of Indonesian figures are listed as the most influential Moslems in the world. Of the 23 names included in the book, there are several prominent names of Moslem organization figures included in the list such as Din Syamsudin, KH Said Aqil Siradj, KH Miftahul Akhyar, Ma'ruf Amin, and Aa Gymnastiar (Al-Khraisha, Elqabbany, Asfour, Chahine, & Nasreddin, 2020). It shows that Moslem organizations have played a part in the national development of Indonesia (Al-Khraisha et al., 2020).
Development in Islam is a holistic and sustainable attempt to increase the quality of human life as a whole in compliance with the will of Allah SWT (Natadipurba, 2016). Increasing the quality of human capital to promote economic development requires a wide variety of approaches. Economic approaches such as finance channeling (financial capital), infrastructure development (physical capital), and access to health care and education (human capital) are not adequate to solve those problems (Natadipurba, 2016).

Humans are complex individuals, and additional methods are needed to achieve the objective of increasing economic well-being. Besides the three approaches mentioned above, a social approach can assist us in seeing the condition of the individual human being, namely social capital. Social capital is the ability of individuals to associate with others, which becomes an important force not only for economic life but also for every other aspect of life (Adler & Kwon, 2002).

Supriono et al. (2010) stated that social capital is a relationship formed in society broadly, namely as a social force that maintains the unity of society. Meanwhile, according to Prusak and Cohen (2001), social capital is a relationship between individual communities bound by trust, mutual understanding, and shared values that bind society to create the same action. There hasn't been much research on how the social capital index affects a person's involvement in Islamic groups. Numerous research points to a few key elements that might boost social capital. Slamet (2012) studied social intuition, social capital, and its impact on poverty alleviation. The study uses three independent variables: social capital, social intuition, and the interaction between the two variables and poverty alleviation, as a dependent variable. The results showed that structural factors caused poverty: economic policy and government politics. The results of this study also show that poverty alleviation is not related to social bonding capital, but related to social bridging and linking capital. In contrast, Nasution (2016) revealed that trust, norms, and collaboration are the three most crucial aspects of social capital. At the same time, these aspects of social capital might lessen poverty.

Additionally, Nasution et al. (2014) found that social activity engagement can enhance the well-being of rural families. Additionally, social norms as a component of social capital substantially impact the company's innovation performance from a business perspective. According to Mursid et al. (2018), social norms—measured as the propensity for helping one another, the ease with which one may seek assistance, and the propensity to share information—are crucial components of social capital for enhancing firm innovation performance. According to earlier research findings, the question of whether membership in a Muslim organization affects social capital emerges.

The background to this research is the phenomenon of the tendency of people who are members of Moslem organizations to make more social and economic contributions. This study took a sample of the Muhammadiyah Moslem organization members in Bandar Lampung City and a sample of non-Muhammadiyah members of the City of Bandar Lampung as a control group. This study aims to examine the impact of the participation of the Muhammadiyah Moslem organization on the social capital index of the people in Bandar Lampung City.

**RESEARCH METHOD**

This research was conducted in the city of Bandar Lampung. The sources and types of data used for this study are primary data. Primary data were obtained from questionnaires collected by
researchers and filled out by respondents who were members of the Muhammadiyah Moslem organization and non-members who were the people of the City of Bandar Lampung between the ages of 20 and 45 years, every 200 people obtained. This study's sampling procedure employed a purposive random sample with a population of all Muhammadiyah Muslim organization members in Bandar Lampung City. A qualitative technique was applied to determine the characteristics of the respondents who completed the descriptive analysis. The quantitative method shows relevant information on how Muhammadiyah Moslem groups' engagement has affected the social capital index. The propensity score matching (PSM) method of data analysis is employed. A qualitative approach was used to identify the characteristics of the descriptively analyzed respondents. The quantitative approach is used to display the data on the degree to which Muhammadiyah Moslem organizations' involvement has impacted the social capital index. The data analysis technique used is propensity score matching (PSM) analysis. Furthermore, the social capital index of the respondent is calculated using the following formula:

\[ Z_{ij} = \frac{(X_{ij} - \min X_{ij})}{((X_{ij}) - \max X_{ij})} \]

Where:
- \( Z_{ij} \): The j-dimension index (j = 1,2,3) for the i-th respondent
- \( X_{ij} \): The score of the j-th dimension for the i-th respondent
- \( \min X_{ij} \): The minimum score for the j-th dimension of social capital
- \( \max X_{ij} \): The maximum score for the j-th dimension of social capital

After calculating the index for each dimension of social capital, the index of social capital for each respondent is calculated. The respondent's social capital index is calculated using the weighted average of all dimensions of the social capital index calculated using the equation above. The social capital index of the respondents is calculated using the following equation:

\[ SC_i = \sum_{j=1}^{3} \alpha_j Z_{ij} \]

Where:
- \( SC_i \): The i-th household social capital index;
- \( \alpha_j \): The j-th dimension of social capital weighing; and
- \( Z_{ij} \): The index of the j-th dimension of social capital for the i-th household.

The principal component analysis is an analysis technique used to reduce several variables to fewer new variables without losing the characteristics of the previous variables, which will ease the data interpretation process (Abdurrahman et al. (2014).

RESEARCH FINDING

Respondent Characteristics

The respondent characteristics of this study will be described descriptively by presenting the mean tabulation of data consisting of age, monthly expenditure, number of children, marital status, and education level. The distribution of the respondent can be seen in the demographics table as follows:
Table 1 shows the mean value of the respondents who are Muhammadiyah members and non-Muhammadiyah members before matching them using the PSM technique. The t-tests on mean differences showed a significant mean difference in expenditure between the two groups (confidence level =95%).

Table 2. Source: Primary Data (2020)

<table>
<thead>
<tr>
<th>Variable</th>
<th>Member</th>
<th>Non-Member</th>
<th>Mean Diff</th>
<th>t</th>
</tr>
</thead>
<tbody>
<tr>
<td>Social Capital Index</td>
<td>.616738</td>
<td>.50028</td>
<td>.1164538</td>
<td>5.3</td>
</tr>
</tbody>
</table>

As follows from the table shown above, it has been found that the mean social capital index of Muhammadiyah members is 61.67%, and Muhammadiyah non-members are 50.02%. The difference in social capital between the two groups was significant at the 95% confidence level, which amounted to 0.116 or 11.6. However, the PSM technique has proven that the characteristics of the two groups are not equally matched, so the direct comparison of the two groups will cause bias.

The Result of Propensity Score Matching Test

This study uses the binary logit model, considering the treatment variable is a dummy variable describing individual participation in Moslem Organization Muhammadiyah. The logit model is considered capable of describing individual possibilities to become members of the Moslem Organization Muhammadiyah in Kernel Method and Nearest Neighbor Method.

Table 3. Logit Model

<table>
<thead>
<tr>
<th>Variable</th>
<th>Coefficient</th>
<th>Standard Error</th>
</tr>
</thead>
<tbody>
<tr>
<td>age</td>
<td>-0.0721737*</td>
<td>0.0378939</td>
</tr>
<tr>
<td>married</td>
<td>1.490278***</td>
<td>0.5662077</td>
</tr>
<tr>
<td>children</td>
<td>-0.215934</td>
<td>0.1973316</td>
</tr>
<tr>
<td>education</td>
<td>0.0259928</td>
<td>0.0758234</td>
</tr>
<tr>
<td>expenditure</td>
<td>0.0002351***</td>
<td>0.0000691</td>
</tr>
<tr>
<td>_cons</td>
<td>0.5763415</td>
<td>1.272929</td>
</tr>
<tr>
<td>Pseudo-R2</td>
<td>0.087</td>
<td></td>
</tr>
<tr>
<td>Prob&gt; Chi2</td>
<td>0.0002</td>
<td></td>
</tr>
</tbody>
</table>

Note. * * * 1%, * * 5%, * 10%.
The Logit Model findings indicate that three factors are significantly related to a person's decision to join the Muslim Organization of Muhammadiyah. With a significance level of 10%, age is the first factor that significantly negatively affects an individual's engagement in the Muslim Organization Muhammadiyah. This indicates that younger people are more likely to participate in the Muhammadiyah Mosque. Then, a person's spending and marital status greatly impact that person's decision to join Muhammadiyah, a Moslem Organization.

According to the logit regression results in Table 3, age, marriage, and expenditures are three characteristics that influence people's decisions to join the Moslem Organization Muhammadiyah. Meanwhile, children and educational variables have no appreciable impact on individual involvement in the Muhammadiyah Moslem Organization.

1. Choosing a Matching Algorithm

This study uses Kernel matching and the Nearest Neighbor Method. The distribution of the propensity score between the treatment and comparison groups with kernel matching is shown in the figure below. Based on the figure below, it can be seen that there was a difference in the distribution of the propensity score between the treatment and comparison groups. The difference was that the comparison group had a higher propensity score than the treatment group.

![Figure 1. Matching Algorithm](image)

Furthermore, the distribution of the propensity score between the treatment and comparison groups with Nearest Neighbor matching is shown in Figure 3. Based on the figure below, it can be concluded that there was a difference in the distribution of the propensity score between the treatment and comparison groups. The difference was that the comparison group had a higher propensity score than the treatment group.
2. Checking the Common Support

Checking the common support is an important step in the matching method since the common support condition is one of the assumptions implemented in PSM. The results of the Kernel Method, as shown in the figure above, showed an overlap between the treatment and comparison groups. It indicates a match between the two groups and ensures that the common support assumptions have been met.

The same outcome is seen when using the Nearest Neighbor Method to assess for shared support; the figure above demonstrates the overlap between the treatment and comparison groups. It can be concluded that the two groups are compatible and confirm that the common support presumptions have been satisfied.
The matching quality assessment in Kernel Method and Nearest Neighbor Method uses several tests, including a standard bias test, t-test, and F-test, to simultaneously determine the average quality in the paired sample. First, a standard bias test was conducted to determine the reduction in bias after matching. The following standard bias test results (Table 4) show the standard bias values before and after matching. After matching the Kernel and Nearest Neighbor Method, it decreased all variables in the biased standard. Expenditure has the largest standard bias value of any variable, at 52.6. Furthermore, after matching, the bias standard value decreased to 1.3 in Kernel and -2.3 in the Nearest Neighbor Method.

Table 4. The standard bias test results before and after matching

<table>
<thead>
<tr>
<th>Variable</th>
<th>Standard Bias with Kernel Matching</th>
<th>Standard Bias with Nearest Neighbor Method</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Before matching</td>
<td>After matching</td>
</tr>
<tr>
<td>age</td>
<td>-11</td>
<td>-2.4</td>
</tr>
<tr>
<td>married</td>
<td>14</td>
<td>0.5</td>
</tr>
<tr>
<td>children</td>
<td>-8.6</td>
<td>-6.6</td>
</tr>
<tr>
<td>education</td>
<td>0.4</td>
<td>-1.9</td>
</tr>
<tr>
<td>expenditure</td>
<td>52.6</td>
<td>1.3</td>
</tr>
</tbody>
</table>

Second, the individual difference of means test or t-test was conducted. As shown in Table 5, the result shows that before the matching, there was one covariate, expenditure, with a different mean between the treatment and comparison groups. However, the after-matching mean of all covariates did not differ significantly between the two groups. This shows that the covariates in the treatment and comparison groups have the same characteristics after matching between Kernel and Nearest Neighbor Method.
Table 5. The results of the mean difference (t-test) before and after matching

<table>
<thead>
<tr>
<th>Variable</th>
<th>p-value with Kernel Matching Before matching</th>
<th>p-value with Kernel Matching After matching</th>
<th>p-value with Nearest Neighbor Method Before matching</th>
<th>p-value with Nearest Neighbor Method After matching</th>
</tr>
</thead>
<tbody>
<tr>
<td>age</td>
<td>0.438</td>
<td>0.870</td>
<td>0.438</td>
<td>0.674</td>
</tr>
<tr>
<td>married</td>
<td>0.323</td>
<td>0.973</td>
<td>0.323</td>
<td>0.880</td>
</tr>
<tr>
<td>children</td>
<td>0.542</td>
<td>0.640</td>
<td>0.542</td>
<td>0.349</td>
</tr>
<tr>
<td>education</td>
<td>0.975</td>
<td>0.902</td>
<td>0.975</td>
<td>0.469</td>
</tr>
<tr>
<td>expenditure</td>
<td>0.000</td>
<td>0.899</td>
<td>0.000</td>
<td>0.838</td>
</tr>
</tbody>
</table>

Third, an F-test was conducted to see the similarity of the average of the covariates simultaneously between the treatment group and the comparison group. The results of the F-test in the Kernel and Nearest Neighbor Method can be seen in Table 6. The F-test value in Kernel and Nearest Neighbor Method was 0.9826 and 0.4437, greater than alpha 0.05, respectively. It means, simultaneously, that all covariates that are paired in the two groups have the same characteristics.

Table 6. Hotelling Test results (F-test) after matching

<table>
<thead>
<tr>
<th>Variable</th>
<th>Individual average with Kernel treatmentvar = 1</th>
<th>Individual average with Nearest Neighbor Method treatmentvar = 1</th>
</tr>
</thead>
<tbody>
<tr>
<td>age</td>
<td>29.279</td>
<td>29.279</td>
</tr>
<tr>
<td>married</td>
<td>0.512</td>
<td>0.512</td>
</tr>
<tr>
<td>children</td>
<td>0.930</td>
<td>0.930</td>
</tr>
<tr>
<td>education</td>
<td>15.395</td>
<td>15.395</td>
</tr>
<tr>
<td>expenditure</td>
<td>2620.930</td>
<td>2620.930</td>
</tr>
<tr>
<td>Hotelling p-value</td>
<td>0.9826</td>
<td>0.4437</td>
</tr>
<tr>
<td>Observation</td>
<td>86</td>
<td>41</td>
</tr>
</tbody>
</table>

After standardization (covariate balance) was conducted, it can be seen that non-Muhammadiyah member groups and Muhammadiyah members have significant differences in raw data (see Figure 5 on the left-hand graph). This means that the two groups do not equally match, and comparing directly without matching will cause bias. After matching (see the figure in the right-hand graph), the two groups approached a balanced condition. In other words, comparing the two groups after matching will give an accurate result that the difference in the level of social capital between the two groups (if any) is due to community participation in the Moslem organization Muhammadiyah.
The Impact of Moslem Organizations on the Social Capital Index

Table 10. Result of Nearest-Neighbor and Kernel Method after matching

<table>
<thead>
<tr>
<th>Methods</th>
<th>n. Treat</th>
<th>n. Control</th>
<th>ATT</th>
<th>t</th>
</tr>
</thead>
<tbody>
<tr>
<td>NN Matching</td>
<td>86</td>
<td>41</td>
<td>0.131</td>
<td>3.53</td>
</tr>
<tr>
<td>Kernel Matching</td>
<td>86</td>
<td>100</td>
<td>0.134</td>
<td>5.69</td>
</tr>
</tbody>
</table>

After matching with the nearest-neighbor approach, the number of control respondents (non-Muhammadiyah) matched and used in this analysis was 41. Community participation in the Muhammadiyah Moslem organization has a significant effect (statistical T-test = 3.53) on the level of social capital at the 95% confidence level. This means that the Muhammadiyah Moslem organization has an impact on increasing social capital by an average of 13.1%.

In the Kernel Matching approach, the number of controls (non-Muhammadiyah) matched and used in this analysis was 100 samples. Community participation in the Muhammadiyah Moslem organization has a significant effect (statistical T-test = 5.69) on the level of social capital at the 95% confidence level. This means that the Muhammadiyah Moslem organization has an impact on increasing social capital by an average of 13.4%.

Discussion

Based on the data analysis performed in the previous section, it can be concluded that a Muslim organization participant has a much higher social capital index than a non-organizational individual. This indicates that some of the social capital index's components apply to defining a person's social capital, whether or not they are active in religious groups. The first dimension, the respondents' level of trust and tolerance, reveals that those who participate in Muslim groups have greater faith in the ability to uphold attitudes that serve the interests of the general welfare (Hamilton, Heliwell, & Woolcock, 2016). The second component, cooperative action, shows that
individuals who participate in or are members of Moslem organizations prefer to engage in more activities that might foster reciprocity. This is supported by the quality of bridging and social networks between members in the organization to transfer knowledge and experience (Kim, 2018). Furthermore, the dimensions of networks and groups are used to build social capital. The social capital index will rise due to participation in organizations and networks as a primary component (Torres, Sarmiento, Stauber, & Zarama, 2013).

Although the literature on social capital has been extensively reviewed elsewhere (Malecki, 2012; Matous & Ozama, 2010; Mayer, 2003) and in this article (Mayer, 2003; Patulny & Svendsen, 2007; Riordan & Sarkar, 1998; Wood & Warren, 2002), it is still important to consider how to contextualize the bonding and bridging aspects of social capital in the context of community organizations. It is possible to hypothesize that social capital can improve an organization's capability to handle knowledge due to its versatility. Social capital affects the conditions required for interchange and combination to occur, which aids in the growth of collective intellectual capital in knowledge generation (Hoffman, Hoelscher, & Sherif, 2005).

This study examines the factors that influence people to join Muslim organizations and compares the social capital indices of members and non-members. According to the analysis's findings, age has a considerable detrimental impact on a person's engagement in Muslim groups. According to several studies (Abas & Reza, 2009; Beard, 2005; Jafari, Afshin, Jafari, & Barzegar, 2015; Lee, 2011), older people tend to be less active or involved in Muslim groups. Similarly, Table 3 shows that someone who has a married status is more likely to participate in Muslim organizations. In his study, Beard (2005) indicated that someone with a married status contributes both time and money to the organization. This solid connection between a person's involvement in the organization and their function as the family's head of household or housewife shows how important this link is for both men and women. Individual spending is the last factor that significantly affects organizational involvement. A person is more likely to join in Muslim groups if they spend more money (Beard, 2005; Carpiano & Kimbro, 2012).

CONCLUSION

Based on the results of the Propensity Score Matching analysis conducted on members of Muhammadiyah Moslem organizations as the treatment group and non-Muhammadiyah members as the comparison group, it was found that Moslem organizations had a significant impact on increasing the social capital index using both the Kernel method and the Nearest Neighbor method. This proves that Moslem organizations are not only present to provide religious understanding for their members, but, more than that, they are also capable of providing added value for their members, namely the addition of social capital in each community. The additional social capital obtained will later be used to fulfill the community's various social and economic interests.

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