

UTILIZATION OF CAPITAL FOR ECONOMIC AND SOCIAL DEVELOPMENT

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ABSTRACT

This study is based on a policy innovation introduced by the Siak Regency Government related to village economic growth, particularly in Sungai Apit Sub-district. Through Law No. 6 of 2014, the government provides opportunities for each village to establish a business entity that can meet community needs—especially basic needs—while utilizing untapped local natural resources. These entities are expected to be managed as strategic assets that drive the local economy. Inclusive economic growth refers to efforts to ensure that the benefits of development are distributed across all segments of society, including rural communities. With the presence of small and medium enterprises (SMEs), creative industries, and agribusiness, local residents are no longer required to migrate to urban areas in search of employment. Empowerment programs—such as education, skills training, and community capacity building—can enhance their ability to actively participate in economic and social development. This study applies the Community Capitals Framework (CCF) developed by Emery and Flora (2006), which consists of seven dimensions. A qualitative method is employed to explore and identify patterns in how different forms of capital operate within the Sungai Apit Sub-district community in Siak Regency. The findings indicate that the condition of each type of capital shows an increasing trend in both quantity and quality. By effectively utilizing these various forms of capital—through educational programs, cultural initiatives, financial resources, and environmental conservation—Sungai Apit Sub-district is projected to improve its long-term well-being, resilience, and prosperity. Through collaboration, participation, and capacity building, communities can create a virtuous cycle in which different forms of capital reinforce one another, leading to sustainable and positive development outcomes.

Keywords: community capitals framework; district; economy; society

UTILISASI KAPITAL UNTUK PENGEMBANGAN EKONOMI DAN MASYARAKAT

ABSTRAK

Penelitian ini dilatarbelakangi oleh inovasi kebijakan Pemerintah Kabupaten Siak terkait pertumbuhan ekonomi desa, khususnya di Kecamatan Sungai Apit. Melalui Undang-Undang Nomor 6 Tahun 2014 tentang Desa, pemerintah membuka peluang bagi setiap desa untuk membentuk badan usaha yang berfungsi memenuhi kebutuhan masyarakat, terutama kebutuhan dasar, serta mengoptimalkan sumber daya alam desa yang belum dimanfaatkan sebagai aset penggerak perekonomian. Pertumbuhan ekonomi inklusif merujuk pada upaya untuk memastikan bahwa manfaat pembangunan dapat dirasakan oleh seluruh lapisan masyarakat, termasuk masyarakat desa. Keberadaan usaha kecil dan menengah (UKM), industri kreatif, dan agribisnis memungkinkan masyarakat untuk memperoleh sumber penghidupan tanpa harus bermigrasi ke perkotaan. Selain itu, program pemberdayaan seperti pendidikan, pelatihan keterampilan, dan peningkatan kapasitas masyarakat berperan dalam meningkatkan partisipasi mereka dalam pembangunan ekonomi dan sosial. Penelitian ini menggunakan kerangka teori Community Capitals Framework (CCF) dari Emery dan Flora (2006) yang mencakup tujuh dimensi kapital. Metode yang digunakan adalah kualitatif untuk mendalami dan mengidentifikasi pola kerja kapital dalam masyarakat di Kecamatan Sungai Apit. Hasil penelitian menunjukkan bahwa kondisi setiap jenis kapital mengalami kecenderungan peningkatan, baik dari segi kuantitas maupun kualitas. Pemanfaatan berbagai bentuk kapital—melalui program pendidikan, kegiatan budaya, pengelolaan sumber daya keuangan, serta konservasi lingkungan—berpotensi meningkatkan kesejahteraan, ketahanan, dan kemakmuran masyarakat secara berkelanjutan. Melalui kolaborasi, partisipasi, dan penguatan kapasitas, masyarakat dapat menciptakan siklus penguatan antar kapital yang mendorong terwujudnya pembangunan yang inklusif dan berkelanjutan.

Kata kunci: community capitals framework; kecamatan; ekonomi; masyarakat

INTRODUCTION

The government has close reach to local communities who have sufficient regional financial power to empower local resources. Villages are the spearhead of national development (Faoziyah & Salim, 2020). Therefore, the government continues to strive to encourage the village economy. Through Law No. 6 of 2014, it is stated that villages are advised to have a business entity that is useful for meeting the needs of the community, especially basic needs and the availability of untapped village resources and people who are able to manage business entities as assets that drive the community's economy. In essence, this policy underscores that village-owned enterprises are not merely administrative instruments, but strategic vehicles for transforming local potential into sustainable economic growth, strengthening community self-reliance, and ensuring that development benefits are felt directly at the grass-roots level.

In the era of globalization and rapid technological progress, inclusive economic growth is very important (Shabir, 2024). Building villages as centers of innovation and investment is a crucial step in achieving this goal (Yin, et al, 2022). In this article, will explain the importance of inclusive economic growth, how villages can become centers of innovation in villages strategically as the key to success. Inclusive economic growth refers to efforts to ensure that the benefits of economic development are enjoyed by all levels of society, including villages (Purnamawati & Adnyani, 2021). Without balanced economic inclusion, social and economic disparities will further deepen the division between cities and villages (Chen & Li, 2024). Therefore, building economic opportunities in villages is very important to achieve inclusive economic growth.

Villages have great potential to become centers of innovation (Mwantimwa & Ndege, 2024). With abundant natural resources—such as fertile agricultural land supporting oil palm, rubber, coconut, rice, and cassava cultivation; extensive peatlands and wetlands with high ecological value; as well as river systems that function as sources of irrigation, transportation, and fisheries—and unique local wisdom reflected in strong adat institutions, Malay cultural identity, oral traditions (*pantun*, folklore), religious values, and communal practices like *gotong royong*—villages can generate creative

ideas and solutions that are appropriate to local conditions. Building villages as centers of innovation and investment is an important step to achieve inclusive economic growth and sustainable rural regeneration (Pretty, 1998). By harnessing the potential of villages, creating a conducive environment, and investing strategically, we can create equitable and sustainable economic opportunities across the country. With strong collaboration between the government, private sector, and communities, can realize the vision of inclusive economic growth where villages act as centers of innovation and investment (Sutriadi, 2018).

Economic and community development is very important to improve the welfare of the community in Sungai Apit District. With programs that focus on improving the economy, such as skills training, providing business capital, and developing the agriculture and fisheries sectors, the community can have a better source of income. This increase in income will have a direct impact on improving the quality of life, access to education, and public health. Economic development in rural areas will open up more jobs for the local community (Malizia, et al, 2021). With the presence of small and medium enterprises (SMEs), creative industries, and agribusiness, people no longer need to migrate to cities to find work. This will reduce unemployment rates and prevent excessive urbanization. Community development involves empowering individuals and groups to overcome their own challenges. Empowerment programs such as education, skills training, and community capacity building will increase their ability to participate in economic and social development. This will also encourage active participation in decision-making processes that affect their lives. Economic and community development also means strengthening social capital. Social capital includes networks, norms, and trust that exist in society. By strengthening social capital, people can work together better in various economic and social activities (Narayan, 1999; Granovetter, 1985). This will create a more solid and harmonious society (Lorenz, 1999). Relying on one economic sector alone can make people vulnerable to market fluctuations. Therefore, economic diversification is very important. Developing various sectors such as agriculture, fisheries, tourism, and creative industries will make the local economy more stable and sustainable.

Sungai Apit District is one of the districts in Siak Regency. Sungai Apit District, whose center of government is in Sungai Apit Village, is approximately 37 km from the center of the district government, which can be reached by land or river. Sungai Apit District has great potential to become one of the natural tourist attractions in Siak Regency. In addition to the many coastal areas in Sungai Apit District, its location is also strategic because in Sungai Apit District there is the Tanjung Buton Industrial Area and Tanjung Buton Port which are alternative stops for merchant ships and water transportation. This will be able to attract local and foreign tourists if mangrove ecotourism can be managed properly. The Community Capitals Framework (CCF) offers a way to analyze community and economic development efforts from a systems perspective by identifying assets in each capital (stocks), types of capital invested (flows), interactions between capital, and the impacts generated. The framework introduced by Emery and Flora (2006) is considered ap-

propriate to elaborate on the dynamics of community development in the research location (Sungai Apit District), because the purpose of this research is focused on the visible aspects of regional economic growth, rather than regional development in a macro way. Analysis and elaboration of economic growth in Sungai Apit District are understood as the first phase to explore the growth and development of the region and society of Siak Regency in a macro way.

Departing from the idea of Emery and Flora (2006), the author understands that the flow of inter-capital has a convertibility function that can influence—both positively and negatively—the increase in assets, community capacity, and other capital. Guiterrez-Montez (2005) found that the flow of assets across capital—namely, human capital invested in a project that causes an increase in the stock of assets in financial, political, cultural, and social capital—can initiate a process of sustainable asset increase that leads to an upward spiral effect (spiraling up).

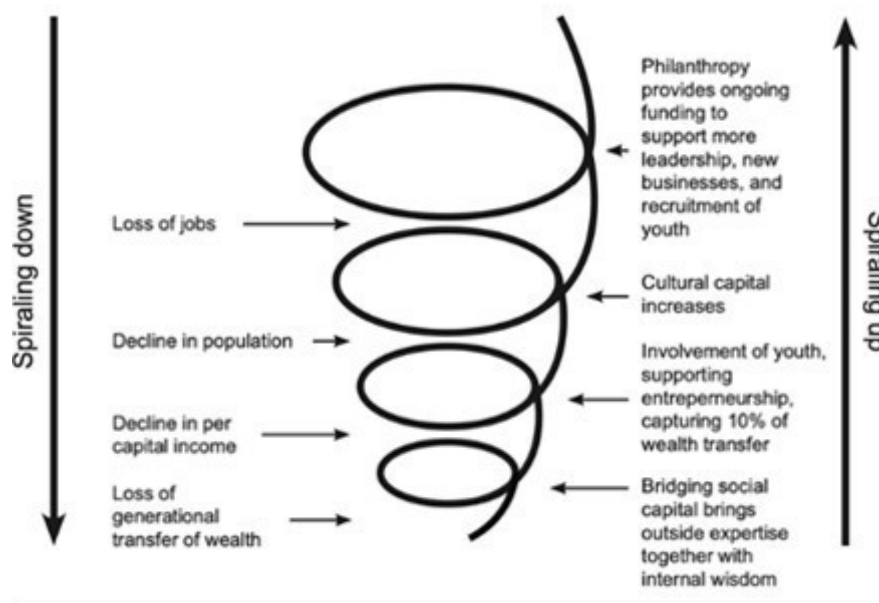


Figure 1. Capital convertibility function

Sources: Emery and Flora, 2006

The CCF is a holistic analytical model rooted in the concept of multiple forms of capital as proposed by Bourdieu (1986) and further elaborated in community development studies by Flora et al. (2004). that conceptualizes community development as the interaction of seven forms of capital: natural, cultural, human, social, political, financial, and built capital. Rather than viewing these capitals as separate entities, CCF emphasizes their dynamic interdepend-

dence and the continuous flow of resources among them. This interconnection is what Emery and Flora describe as capital convertibility, where an investment or strengthening in one type of capital can generate multiplier effects across other capitals.

As an analytical tool, CCF enables researchers to systematically map existing assets (stocks), identify how these assets are mobilized (flows), and analyze the outcomes of their

interactions. For example, investment in human capital through education and training can enhance skills and knowledge, which in turn improves financial capital through increased productivity and income. Simultaneously, it may strengthen social capital by fostering collaboration and networks, and political capital by increasing community participation in decision-making. This interconnected process illustrates how development is not linear, but systemic and cumulative.

However, the increase in assets and capital in a region is not created by itself, but rather there is an influence from other regions that also have and or experience an increase in assets. This means that the development of a region's society must be elaborated by paying attention to the development of society in other regions. The strategic geographical position of Sungai Apit places CCF as the right analytical tool to study more deeply the dynamics and transformation of society and regions in Sungai Apit. In general, this research aims to elaborate on the existing conditions and dynamics of economic and community development in Sungai Apit District in the CCF review. Specifically, this study is directed at analyzing the existing conditions of each capital, namely (1) natural capital, (2) cultural capital, (3) human capital, social capital, (5) political capital, (6) financial capital, and (7) built capital.

RESULTS AND DISCUSSION

In this section, the existing condition of community capital in Sungai Apit District will be reviewed in accordance with the CCF framework. This study understands that the existence of each capital can be utilized into an entity that is useful to support the optimal regional development process. The following is a review of each capital.

Natural Capital

Natural capital refers to the assets present in a particular location, including weather, geographic isolation, natural resources, facilities, and natural beauty (Costanza et al., 1997), including weather, geographic isolation, natural resources, facilities, and natural beauty. The area of Sungai Apit District (measured from sea level) is 2 meters with a minimum temperature of 120°C and a maximum of 28°C and an average annual rainfall of 3,487 mm/year. Sungai

Apit District is located approximately 202 km from the provincial capital and approximately 60 km from the capital of Siak Regency, with an area of 386.14 km². The natural capital of Sungai Apit Regency is very rich and diverse, with significant agricultural land, forests, wetlands, and water resources that support the local economy and the livelihoods of its residents. However, the district faces challenges related to deforestation, land degradation, climate change, and sustainable resource management. Protecting and conserving natural capital through sustainable agricultural practices, forest conservation, wetland preservation and improved water management will be critical to the future of Sungai Apit and its ability to continue to support its people in the long term. Efforts to balance economic development with environmental management will be key to ensuring the district's natural resources are available for future generations.



Figure 2. Pineapple plantation on fertile peat land

Source: agroindonesia.co.id

The main natural capital in Sungai Apit is its fertile agricultural land, which is used to grow a variety of crops, especially oil palm, rubber and coconut. These crops are central to the district's economy, providing income and employment for a large proportion of the population. In addition, there are agricultural activities associated with the cultivation of rice, cassava and other food crops.

The soil quality in Sungai Apit is generally supportive of the cultivation of commercial crops, especially oil palm, which thrives in tropical climates. However, soil degradation can be a problem if agricultural practices are unsustainable, especially with intensive monocultures such as oil palm plantations. Sungai

Apit also contains peatlands, which are found in lowland areas. Peatlands are important for carbon storage, and their preservation is essential to maintaining environmental balance. However, drainage of peatlands for agricultural expansion, particularly for oil palm plantations, has raised concerns about environmental degradation, including increased carbon emissions and forest fires.

Wetlands in the sub-district play an important role in maintaining local biodiversity, regulating water flows, and supporting agriculture by providing water for irrigation. Specifically, wetlands function as natural habitats for diverse flora and fauna, act as water retention and flood control systems during the rainy season, help recharge groundwater reserves, filter pollutants to improve water quality, and store significant amounts of carbon that contribute to climate regulation. These ecological services are essential not only for environmental sustainability but also for sustaining local livelihoods, particularly in agriculture and fisheries. However, these ecosystems are increasingly threatened by land-use changes, drainage of wetlands for development, and illegal logging.

The Apit River is named after the Apit River, which is the main waterway in the Apit River sub-district. The river and its surrounding watershed are important to the local population, particularly for irrigation for agriculture, water for domestic use, and transportation. The river system and water resources in the Apit River are critical to supporting the agricultural economy and providing fresh water for the population. Water quality can be affected by agricultural runoff, particularly from oil palm and rubber plantations, which may involve the use of fertilizers and pesticides. Ensuring clean and accessible water resources is a priority for agriculture and human consumption in the area. Within the perspective of the CCF, declining water quality weakens natural capital, which in turn constrains the development of other forms of capital essential for village innovation. For instance, degraded water resources reduce agricultural productivity and limit opportunities for innovation in agribusiness and fisheries, thereby affecting financial capital.

The Apit River is a flood-prone area, particularly during the rainy season. Effective water management practices are essential to reduce the impact of flooding on agriculture and communities. Local governments and communities need to work together to ensure proper drainage

systems, flood control infrastructure, and sustainable land use practices to minimize the damage caused by seasonal flooding.

Cultural Capital

Cultural capital in Sungai Apit is shaped by rich traditions, Islamic heritage, strong community ties, and local customs. Customary practices, religious observance, language, traditional arts, and community cooperation all play a significant role in shaping social identity and maintaining community cohesion. This cultural capital is not only important for maintaining social unity but also has economic implications. Like many areas in Riau, Sungai Apit has a strong tradition of adat, or customary law, which regulates social relations, land use, and community responsibilities. Custom is a key element of cultural capital in the area, influencing not only social cohesion but also local decision-making.

The adat system involves elders and community leaders who mediate disputes, oversee natural resource management, and maintain traditional practices (Endraswara, 2012), oversee natural resource management, and maintain traditional practices. Adat ceremonies are an important aspect of life in Sungai Apit, with traditional rituals, festivals, and events strengthening community ties. These cultural practices provide a framework for resolving conflicts, organizing agricultural work, and guiding social life in the community. The role of elders in the adat community is crucial; they are seen as repositories of cultural knowledge and wisdom, which maintain the continuity of traditions and practices. Elders often guide the younger generation in understanding and practicing customary law, which fosters a sense of heritage and identity.



Figure 3. Boat racing as a cultural heritage

Source: news.nusaperdana.com

The majority of Sungai Apit residents speak Malay, the national language of Indonesia, which is also deeply rooted in local culture and traditions. Riau Malay, a variant of Malay spoken in Sungai Apit, plays an important role in daily communication and social life. Within the CCF, this linguistic and cultural asset represents a strong form of cultural capital that significantly influences village innovation development. The shared language and local expressions facilitate effective knowledge transfer, collective learning, and the dissemination of innovations that are contextually relevant to the community. Riau Malay has its own distinctive vocabulary, expressions, and idioms that help strengthen local identity. It is used in family interactions, community gatherings, and the implementation of traditional customs and ceremonies. It plays a vital role in preserving the cultural history of the region and passing on knowledge from one generation to the next.

In rural communities like Sungai Apit, oral traditions—stories, myths, legends, and folktales—are an important component of cultural capital. These oral narratives serve as a way to preserve the history, values, and beliefs of the community. Folktales and traditional storytelling are often passed down through families and are central to the educational process in the community. *Wayang Kulit* and *pantun* may be among the art forms preserved through oral transmission. These art forms not only preserve the cultural heritage of the region but also serve as a means of entertainment and a unifying force for the community in Sungai Apit. More importantly, within the perspective of the CCF, these traditions represent a valuable form of cultural capital that can be transformed into other forms of capital through strategic utilization.

As cultural capital, *wayang kulit* and *pantun* embody local knowledge, values, identity, and collective memory that strengthen community cohesion. This cultural strength contributes to social capital by fostering shared norms, trust, and participation in communal activities. When communities gather around performances or cultural events, they reinforce networks and collaboration, which are essential for collective action and local development.

Human Capital

Human capital in Sungai Apit District, like many other rural areas in Indonesia, plays a sig-

nificant role in shaping the economy, development, and overall well-being of the district. The term “human capital” refers to the skills, knowledge, education, and health of the population that contribute to economic growth and productivity (Becker, 1964). In the case of Sungai Apit, human capital is influenced by factors such as education, health care, employment opportunities, and migration patterns.

Education

Sungai Apit District has a number of schools at various levels, from elementary school (SD) to junior high school (SMP) and senior high school (SMA). The local government has made efforts to improve access to education, although challenges remain in more remote areas. Access to basic education in Sungai Apit is generally good, with most villages having at least one primary school. However, the quality of education can vary, especially in rural areas where resources and trained teachers may be limited. Junior high and senior high schools are available, but some students from more remote villages may face difficulties in attending school due to distance or financial constraints. As a result, some families prioritize sending their children to farms or plantations rather than continuing their education.

Higher education institutions are usually located in big cities such as Pekanbaru, and students from Sungai Apit often migrate to this urban area to further their education. This has led to a brain drain where many young people leave the district for better opportunities in education and employment. Since agriculture and oil palm are the main economic sectors, vocational education is needed that focuses on skills such as farming techniques, plantation management, and agribusiness. The development of vocational training centers or partnerships with local industries can improve human resources in this sector, helping individuals acquire practical skills that are in line with the needs of the local economy.

Health and Well-being

Sungai Apit has access to basic health services, such as community health centers (Puskesmas) and smaller clinics in urban areas, but access to health services may be limited in more remote villages. Health services typically focus on basic care, maternal and child health,

and preventive measures such as immunization and sanitation. Efforts have been made to improve maternal and child health, although challenges remain in rural areas related to access to prenatal care and safe delivery options. Common health problems in rural areas such as Sungai Apit include respiratory diseases, malaria, diarrheal diseases, and nutrition-related problems due to limited access to clean water, proper sanitation, and healthy food.

People living in more isolated or inland areas of Sungai Apit may have less access to

health services. Medical transportation can be difficult, especially during the rainy season when roads become impassable.

Employment & Economic Activities

The majority of the population in Sungai Apit works in agriculture, particularly oil palm, rubber, and coconut. Many people work as smallholder farmers, while others work on large plantations or processing facilities for oil palm and rubber.



Figure 4. Palm oil becomes a leading economy

Source: PelalawanPos.co

Although agriculture is the dominant sector, the majority of the workforce relies on traditional farming practices. There is a growing need for agricultural innovation and better training in sustainable agriculture, particularly in oil palm and rubber cultivation, to increase productivity and reduce environmental impacts. In addition, many workers earn relatively low wages, especially small farmers and laborers working on plantations. This can limit the economic mobility of the population, leading to high poverty rates in some areas of Sungai Apit.

Furthermore, Sungai Apit sub-district faces employment challenges, especially for young people and women. Many young people leave the sub-district to seek better employment opportunities in larger cities, contributing to youth migration. Meanwhile, female residents face limited access to formal employment due to traditional gender roles and the rural nature of the

economy. There is potential for local entrepreneurship in small businesses related to agriculture, such as selling agricultural products, food processing, or even ecotourism. However, access to capital and business training remains limited for many aspiring entrepreneurs.

Migration Patterns and Demographic Trends

Sungai Apit faces rural-to-urban migration, especially among young people seeking better education and employment opportunities in larger cities such as Pekanbaru or even further afield in other parts of Indonesia. This migration is causing a loss of skilled labor in the district and may hinder the development of local industries. Some people who have migrated for education or work return to their home districts after completing their studies or gaining experi-

ence. These people can be valuable contributors to local development if they bring back new knowledge and skills. Sungai Apit, like other sub-districts in Indonesia, has a relatively young population, although rural areas often have higher birth rates. On the other hand, an aging population in rural areas can strain the health care system and labor productivity over time.

The human capital in Sungai Apit sub-district is largely shaped by an agricultural economy, with many people engaged in agriculture, particularly palm oil and rubber production. The education and health care systems are improving but still face challenges in terms of access and quality, especially in more remote areas. The sub-district's young population faces a combination of opportunities and challenges, such as the lure of urban migration for better education and employment prospects, while many still rely on traditional farming methods.

Investments in vocational training, agricultural innovation, health care infrastructure, and youth employment opportunities will be key to enhancing human capital in Sungai Apit and driving sustainable local development. In addition, encouraging local entrepreneurship and leveraging other capitals will be important to improving economic prospects and reducing high rates of migration.

Social Capital

Social capital refers to the networks, relationships, norms, and trust within a community that enable people to work together for mutual benefit. In Sungai Apit District, social capital plays a significant role in fostering community cohesion, supporting economic activities, and facilitating regional development. The following is an overview of the main elements of social capital in Sungai Apit:

Community Networks and Cooperation

One of the main characteristics of social capital in rural areas such as Sungai Apit is the spirit of *gotong royong*, which reflects strong social bonds and networks within the community (Granovetter, 1973; Narayan, 1999), a traditional practice of mutual assistance. This refers to the collective efforts of neighbors and community members to help each other in activities such as building houses, planting crops, or organizing community events. *Gotong roy-*

ong is a deeply rooted cultural value in Indonesia, especially in rural areas, and is still prevalent in Sungai Apit, where people come together to support each other in times of need.

In addition to the spirit of mutual cooperation, Sungai Apit has a variety of community groups and local organizations that help coordinate social activities, agricultural practices, and local development projects. These include religious organizations, youth groups, women's associations, and neighborhood associations. Such organizations help strengthen relationships within the community, provide a platform for collective decision-making, and support local needs (e.g., during religious festivals, health programs, or disaster relief).

Since Islam is the dominant religion in Sungai Apit, mosques and Islamic organizations play a central role in community life. These institutions often organize social events, religious education, *zakat*, and community service programs. Mosques not only serve religious needs but also act as centers for socializing and community engagement, which fosters trust and cooperation among residents.

Trust and Social Cohesion

In Sungai Apit, trust between individuals is known to be relatively high in rural communities. This trust is built on long-term relationships, shared cultural values, and communal ties. This sense of trust helps facilitate cooperation, particularly in agricultural activities, where collective efforts are often required to plant, harvest, or even manage irrigation systems in a particular area.

At the local leadership level, village chiefs and community elders have significant influence in Sungai Apit. They are seen as trusted figures who mediate disputes, organize community activities, and channel government assistance or programs to the community. Their leadership is critical in maintaining social order and ensuring that collective action benefits the community as a whole. The role of religious leaders also complements this trust, with mosque imams and religious teachers often acting as moral guides and social regulators.

Traditional social norms and values shape how people interact in Sungai Apit. Communities tend to have strong social control mechanisms, where norms of hospitality, respect for elders, and concern for neighbors are emphasized. This creates a socially cohesive environ-

ment, with expectations of shared behavior and mutual support. Ultimately, social capital in Sungai Apit sub-district is a fundamental element of community life, supporting local economic activities, fostering social cohesion, and enabling collective action. The strong networks of cooperation, trust, and mutual assistance that exist in the sub-district provide a solid foundation for local development, although challenges such as youth migration, economic disparities, and limited modern connectivity must be addressed to further strengthen these social bonds. Enhancing social capital through education, infrastructure, and greater community engagement can play a critical role in sustainable development in Sungai Apit.

Political Capital

Political capital refers to the influence, power, networks, and relationships that individuals or groups have within a political system. Political capital involves the ability to shape decisions, mobilize support, and leverage resources to influence governance and policy. In Sungai Apit District, political capital plays a significant role in regional development, as in many districts in Indonesia.

Local Political Leadership at the Village Level

Village heads play a significant role in local government in Sungai Apit. Village heads are key political figures at the grassroots level and are directly involved in administration and decision-making in the community. Their political capital is often associated with their ability to organize and mobilize communities for local development projects, manage resources, and address community issues such as education, health, and infrastructure.

Village heads often act as intermediaries between the district government and the local community, ensuring that government policies and initiatives are implemented at the village level. The popularity and trust of village heads are important factors in their political capital. A village head with strong community ties and leadership skills can effectively rally support for a variety of initiatives, whether for economic development, infrastructure improvement, or addressing social issues. Beyond this intermediary role, village heads also function as key coordinators in aligning top-down policies with bottom-up community needs. They trans-

late government programs into locally relevant actions, while simultaneously articulating community aspirations to higher levels of government.

Political Parties and General Elections

In Sungai Apit, as in most of Indonesia, political parties have a strong influence on local politics. The dominant parties in the area are usually aligned with larger national parties such as PDI-P, Golkar, PKS, and Gerindra, although regional parties can also play a significant role. These parties provide networks of supporters, financial backing, and resources during elections. They also have influence over who is appointed to important positions, such as village head or member of the local parliament. Political capital in this sub-district is often linked to party affiliation, and individuals with strong party support are more likely to gain public office, as Indonesia's political system places a strong emphasis on party structures.

Local elections in Sungai Apit, particularly for village head and district head, are an important part of the political capital in the area. Political parties, local leaders, and influential figures actively engage in election campaigns to gain support, especially in rural districts where personal relationships and trust are important.

Vote buying, clientelism, and patronage networks can also play a role in local elections, although this varies from one election cycle to another. Local political campaigns often focus on local issues such as infrastructure, social services, agricultural support, and religious matters.

Influence of Customary and Religious Leaders

In Sungai Apit District, customary leaders, such as customary leaders and elders, hold significant political influence. These leaders may not always hold formal political positions, but command respect and authority because of their roles in maintaining local traditions, resolving disputes, and overseeing customary practices. Their political capital comes from the respect of the community, their ability to mobilize local communities, and their role in maintaining social cohesion. In areas where local governance overlaps with traditional structures, customary leaders can influence decision-making, especially on matters related to land use, environ-

mental conservation, and local cultural practices.

Islamic clerics and mosque leaders in Sungai Apit also have significant political influence. Indonesia is a predominantly Muslim country, and religion plays a significant role in shaping political dynamics. Religious leaders often serve as moral authorities, guiding political decisions from a religious perspective. They have significant influence over their communities, especially in rural areas, where religion and politics are closely intertwined. In some cases, political candidates may seek the endorsement of religious leaders to increase their legitimacy and mobilize voter support. In addition, local Islamic organizations such as Muhammadiyah or Nahdlatul Ulama can also contribute to the political landscape, offering a platform to mobilize voters or promote social and political causes. Beyond their formal religious functions, these organizations play a strategic role as socio-political intermediaries that connect communities with broader governance processes. Through their extensive grassroots networks, they are able to disseminate information, shape public opinion, and encourage civic engagement, particularly in rural areas where religious institutions often hold high legitimacy.

Community Networks and Grassroots Movements

Local civil society organizations and NGOs that focus on social issues (e.g., agriculture, education, health care, environmental protection) often hold significant political capital in Sungai Apit. These groups can advocate for policy changes, community development programs, and environmental conservation efforts by lobbying local government officials or even working directly with communities to organize support. Their ability to mobilize community participation, convey issues to local policymakers, and create dialogue between communities and government constitutes a significant form of political capital at the village level.

Local community leaders, including youth leaders, women's group representatives, and informal figures with authority, play a significant role in the political structure of Sungai Apit. These leaders can influence decision-making by acting as intermediaries between communities and government authorities, organizing community initiatives, and helping to ensure

that local issues are addressed in high-level political discussions.

Political capital in Sungai Apit is shaped by the configuration of local leadership, party politics, customary and religious institutions, and community networks. Village heads, district leaders, political parties, and religious figures hold significant influence over governance and decision-making in the area. Political capital is often used to secure development resources, implement local policies, and maintain social cohesion. However, challenges such as patronage politics, clientelism, and youth migration can weaken the effectiveness of political capital in promoting sustainable and democratic development. To strengthen political capital in Sungai Apit, it is important to encourage greater political participation, improve transparency in governance, and encourage grassroots community engagement.

Financial Capital

Financial capital refers to the financial resources available to invest in community capacity building, to secure business development, to support civic and social entrepreneurship, and to accumulate wealth for future community development. Although Sungai Apit is largely supported by a rural and agricultural economy, financial capital is shaped by factors such as access to credit, sources of income, investment in local infrastructure, and government and private sector investment.

For smallholder farmers, accessing financial capital is often a major challenge. Many smallholder farmers in Sungai Apit rely on informal financing methods such as family savings, arisan groups, or loans from local moneylenders. These informal sources of credit often come with high interest rates and are limited in quantity, making it difficult for smallholder farmers to invest in modern farming techniques, technology, or expand production. The availability and accessibility of formal banking services in Sungai Apit is relatively limited compared to urban areas. While there are several banks and microfinance institutions (MFIs) in the capital of Siak Regency and larger towns, rural areas such as Sungai Apit often have fewer physical branches and limited banking services. The lack of bank branches and limited access to formal credit facilities in Sungai Apit leaves many individuals and businesses reliant on informal financial networks. This limits the

ability to obtain large loans or long-term investment, making it difficult for local businesses to expand or for farmers to invest in more sustainable agricultural practices.

Economic activity in Sungai Apit, particularly related to palm oil and rubber, makes the district highly vulnerable to global price fluctuations. When commodity prices fall, smallholder farmers and local businesses are particularly vulnerable, as their incomes are tied to the profitability of their crops. This vulnerability can weaken financial capital, leading to financial instability for many households. High levels of debt among farmers, often caused by an inability to access affordable credit, can further strain financial capital in the district. Many smallholder farmers rely on informal lenders who charge high interest rates, leading to a cycle of debt that prevents farmers from saving or investing to improve their livelihoods.

Built Capital



Figure 5. Bridge as an isolation opener

Source: YouTube: Haris HazPro

The main highway, connecting Pekanbaru (the provincial capital) with other areas in Riau, passes through or near the Apit River, increasing access to larger markets and economic opportunities. However, the quality of road infrastructure varies, with some areas having paved roads while others still rely on unpaved rural roads, which can be challenging to navigate during the rainy season. Despite the presence of major roads, some remote rural areas on the Apit River may face limited access to high-

Built capital refers to physical assets and infrastructure that support economic activities, improve the quality of life, and facilitate development in a region. This includes infrastructure such as roads, transportation networks, energy systems, buildings, and other man-made structures that enable communities to function effectively. In Sungai Apit District, Siak Regency, Riau Province, built capital plays a vital role in supporting the local economy, improving access to services, and improving the well-being of residents. One of the most important components of built capital in Sungai Apit is its road network. The district is connected to other areas in Siak Regency and Riau Province through a series of local and provincial roads. The main roads in the district are used for the transportation of goods, people, and agricultural products, which are the center of the district's economy.

quality roads, which can hinder the mobility of people and the transportation of agricultural products. Poor road infrastructure can also lead to higher transportation costs, affecting the profitability of local farmers.

The Apit River is named after the Apit River, which plays an important role in the transportation of goods and people. The river is used for local water transportation and provides access to other parts of the region. Small boats and river barges are used to transport agricultural

products, such as palm oil, rubber, and coconuts, to larger markets and processing centers. Despite its importance, the condition of river infrastructure and navigation can be affected by changes in weather, water levels, and environmental degradation, limiting the efficiency of river transportation.

The availability and quality of health services are important aspects of the capital built in Sungai Apit. Sungai Apit Health Center provides basic health services, including maternal and child health services, immunizations, and treatment for common illnesses. For more advanced medical care, residents need to travel to larger cities or the provincial capital, Pekanbaru. Health infrastructure development is ongoing, but access to specialized medical services can be limited in more remote areas. The health crisis in remote areas, especially related to access to clean water, sanitation, and nutrition, remains a concern, and improving infrastructure for these areas would greatly benefit public health.

Beyond its direct function, health infrastructure plays a strategic role in shaping overall community development. Limited access to quality healthcare can reduce labor productivity, increase vulnerability to disease, and constrain the community's capacity to engage in economic activities. In contrast, improved health services contribute to a healthier and more productive workforce, which is essential for sustaining local economic growth and innovation. From the perspective of the CCF, built capital in the form of health facilities is closely interconnected with other types of capital. Adequate health infrastructure strengthens human capital by improving physical well-being, life expectancy, and the capacity of individuals to learn and work effectively. It also supports social capital, as accessible health services can enhance trust in public institutions and encourage community participation in health-related programs such as immunization campaigns and sanitation initiatives.



Figure 6. The presence of a Puskesmas indicates the availability of good health services

Source: cakaplah.com

Furthermore, although Sungai Apit is not yet a major tourist destination, the area has the potential to develop ecotourism or cultural tourism based on its natural beauty, agricultural landscape, and cultural heritage. From a broader perspective, global tourism trends show that nature-based and cultural tourism are among the fastest-growing segments, contributing significantly to rural economies. For example, ecotourism is estimated to grow by around 10–15% annually worldwide, driven by in-

creasing awareness of sustainability and environmental conservation. Tourists are also increasingly interested in community-based tourism, where they can interact with local people, learn traditional knowledge, and contribute to local economies. The development of tourism infrastructure, such as guesthouses, tourist information centers, and tourist transportation options, can create economic opportunities while preserving the cultural and environmental assets of the sub-district. As part of the

tourism development strategy, improving local infrastructure (roads, water, electricity) and offering training programs for local communities in tourism hospitality can play a major role in building sustainable tourism as part of the sub-district's economic future.

Ultimately, the capital built in Sungai Apit sub-district is an important foundation for economic development, social welfare, and environmental resilience. However, while progress has been made, especially in terms of transportation, energy supply, education, and health care, challenges remain related to infrastructure quality, accessibility, and maintenance. Continued investment in rural infrastructure, especially roads, water supply, disaster resilience, and economic diversification (e.g., tourism infrastructure), will be essential to support long-term growth and improve the quality of life of residents in Sungai Apit sub-district.

CONCLUSION

The CCF is able to understand the interrelated forms of capital that communities can leverage to achieve sustainable and inclusive development. By addressing each type of capital in practice—whether through educational programs, cultural events, financial resources, or environmental conservation—communities can improve their well-being, resilience, and long-term prosperity. Through collaboration, participation, and capacity building, communities can create a virtuous cycle in which different forms of capital reinforce each other, leading to lasting positive change. By using the CCF, the community and government in Sungai Apit are able to address multiple aspects of development simultaneously, creating a holistic and sustainable growth model that leverages the strengths of its people, infrastructure, culture, and environment.

The CCF in Sungai Apit Sub-district can be summarized as several recommendations for the development and economic and community development in Sungai Apit based on six capitals. For human capital in Sungai Apit Sub-district, it is necessary to initiate training programs for youth in various fields such as agriculture, entrepreneurship, and sustainable agricultural techniques. These programs are designed to improve skills and create local employment opportunities. Meanwhile, for financial capital in Sungai Apit District, it is necessary to partner with microfinance institutions to provide small

loans to local farmers and entrepreneurs. This helps stimulate local economic activity by allowing people to invest in better equipment, land and other resources.

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