Amity Business Journal
2018, Vol. 7, No. 1

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Amity University Uttar Pradesh, Lucknow Campus (ISSN 2278-0904)

Need to Test Proposed Theory on Social networking, Community banking and empowerment of People: A Conceptual view

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"What is needed is the spirit among the youth that - I can do it, we can do it and the nation can do it. Our(India) educational institutions have to concentrate on developing the leadership traits and the confidence to perform among every youth of the nation".

A.P. J. Abul Kalam (2015)

Deprived and underprivileged people and those do no not have any sort of access to the bank have to take adverting to the financial system so that equitable distribution and social justice can be achieved. Informal sector is playing vital role than formal sector of the country. Micro savings should under the working purview of the micro investment for which social networking and community banking is needed. Micro insurance has also its important role to play for empowerment of people. Research question of the sturdy is whether community banking and social networking can transform from micro savings to micro investment towards empowerment of the people? Time period of the study is from 1st January 2016 to 30 November, 2017.The theory was developed for considering financial inclusion, to attain income equality, equitable distribution and social justice. A theory was developed by Ali(2016) which need to be tested. The theory was also interlinked with the goals of Sustainable development goal. This theory was developed to remove poverty, creating equitable justice, eliminating income inequality through arranging linkage between social networking and community banking for empowerment of people. Micro saving gradients take extent, their full potential which is far from being understood. The theory which is in a process of development can be extensively examined(http://vle.du.ac.in/mod/book/print.php?id=12779,viewed on 1st June,2017).

Author also suggested for arranging micro insurance for rural people to attain sustainability and competitive advantage. Micro-investing has been a mi the growing popularity of non-traditional investment platforms, sinks the possibility of market failure for a particular product.

Theory developed by Ali(2016) on Social networking, community banking and empowerment of people may be empirically tested in different countries of the world and also at Bangladesh by various researchers to give a structural formation, cost-benefit analysis, shadow pricing, validation and reliability of the theory in the real life scenario both global and domestic perspectives with a request to inform the result to the author. World Bank or any other International /Domestic/Govt./Private organizations may test the model in a greater extent to practically involve in the process of. Economic development of the country.

Keywords: Micro savings, Micro investment, Micro insurance, Community banking, Social networking, empowerment of People, Gender equality, Formal and Informal sector, underground economy

JEL classfications:E26,G21,G22,G23,016,017,

Introduction

Poor people of the country often did not getting any sort of banking including financial services. Lack of banking services lead to accept non-banking services for those who are not included in the financial inclusion process. For marginalized and pauperization people who needs delivering services by the financiers to start-up businesses ,services and nano manufacturing by seeming ongoing increasing impending. Informal sector is gradually expanding its activities. NGOs are currently rolling more than 77000 crore Taka out of which 16,000 crore taka is from PKSF to come out from vicious circle of poverty in Bangladesh. As such informal sector have been playing vital role in the economy without accountability and transparency. Micro savings ought to come under the operational purview of the micro investment through social networking and community banking based system is required. Otherwise micro savings cannot give good results rather it will have some problems which was observed in Uganda , Rawnda, Kenya etc. countries. Noose et al. (2011) argued that the double bottom-line business approach of savings

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banks is a powerful driver for financial inclusion. The promotion of access to financial services, especially micro savings, for all unbanked communities and individuals and maintaining a broad retail distribution network are parts of this social approach to banking. Bangladesh suffers from large underground economy which destabilizes macroeconomic strength of the country. Empowerment of people can lead to provide their skills especially soft skill, capitals, command, prospect, incentive, portion of accountability and responsible for consequences of their activities, which will donate to their capability and gratification.

As such considering Pareto's optimality criteria of utility theory, Hicks, Kaldor and Scitovsky which described that social welfare could be increased without making value judgments. Pareto optimality of the people can be attained in line of social welfare so that compensation package can create equitable distribution and social justice.

In the free market economy govt. can intervene at least invisible manner. For poorer section of people, govt. need to set up some procedure of redistribution, arranging equitable righteousness, removing income inequality and to attain social justice. A community bank is a depository institution that is typically locally owned and operated. Community banks tend to focus on the needs of the businesses and families where the bank holds branches and offices under unite banking process. Lending decisions are made by people who understand the local needs of families, small industries, businesses and farmers. Employees often reside within the communities they will serve(https://en.wikipedia.org/wiki/Community_bank on 1st June,2017).Social network is a sociological concept for a set of social relations between network elements that interact and which are in particular individuals. Social groups or teams, organizational units or whole organizations can also be network elements in the organization. Basic types of social network in the organization are: Formal organizational structure, Informal organizational structure(https://managementmania.com/en/social-network on 1st June,2017). As such the study wants to bring a theoretical development of a linkage between community banking and social networking for the empowerment of people, attain income equality, ensuring social justice and equitable distribution. If micro foundation is stronger than macro economy will be in the way of stabilization for the society as a whole.

Access to finance is a challenge in Bangladesh, where only 40 percent of the adult population holds a bank account at a formal financial institution. This is a major problem for the working poor, many of whom migrate from villages to towns, cities, and even overseas in search of work, and who have no choice but to use informal options to send money to home. Some found an acquaintance is willing to carry cash on the journey to their home village; others work with middlemen who charge high fees (Source: https://www.ifc.org/wps/wcm/connect/5c993b23-8dd1-40c5-88cf-eb 64618e871b/bKash_FINAL_low+res.pdf? MOD=AJPERES ,viewed on 23.08.17).As such we suggested for community banking as an alternative to serve the poor people and they can help micro savings to micro investment at costal areas, hilly areas as well as low land.

Social networking is the exercise of intensifying the quantity of one's business and/or social contacts by constructing acquaintances from side to side entities, often through social media along with social capital, social business and social investment. Social entrepreneurs are the people most able to deliver that innovation (Leadbeater,1997).This is a social structure entailing of persons or collections who are associated to each other, for example through social relationships. When these networks are characterized in a database and with a web interface, it is frequently mentioned to as a "social networking service". However, in traditional system there is no web interface or social media but social capital, social business and social investment works simultaneously along with caring attitude among friends relatives and neighbours. A social network perspective on strategic alliances can have both descriptive and normative outcomes that provide valuable insights for theories of strategic management, organizational theory, and sociology. Incorporating social network factors into our account of the alliance behavior of firms not only provides us with a more accurate representation of the key influences on the strategic actions of firms, but has important implications for managerial practice as well, many of which have yet to be explored (Gulat,1998). Interest rate on lending in the informal sector is very much high in Bangladesh than the formal sector of the country(Ali,2016). A significant portion of financial inclusion has been considered as sum of the quantity of persons who can be identified by a bank account. An individual possesses a bank account which has been painstaking to have straightforward financial transactions awareness.

Rahman (2013) described that financial inclusion promotes inclusive growth, productive capacity, youth employment and combats poverty by unblocking advancement opportunities for the disadvantaged poor. Lack of access to basic financial services may lead to important extent of social exclusion in education, employment opportunities and social safety net. Bangladesh economy is progressing but to sustain in the long run there is no other alternative to create employment opportunity with growth. Financial inclusion has been identified as an enabler for 7 of the 17 Sustainable Development Goals(Source: However, recent report suggests that Bangladesh scored a rank of 120 out of 157 countries in the SDG Index and Dashboards Report 2017 by the UN Sustainable Development Solutions Network. Its overall performance on the index was 56.2, lower than the regional average score of 63.3. Bhutan, India, Nepal and Sri Lanka all scored higher than Bangladesh on the index, while Pakistan and Afghanistan scored lower (Source: http://bdnews24.com/economy/2017/07/10/bangladesh-lags-behind-its-peers-in-progress-report-on-sustainable-development-goals, Viewed on 25 July,2017).Actually to attain Sustainable development goals in Bangladesh needs some policy reformulation and involve participatory representatives in the all corner including member of the parliaments, grass root leaders, economists, industrialist, entreprenrues, academicians, engineers. Rahman (2017) argued that central banks must put more focused emphasis on meeting the challenges of Human Resources Development to face the new challenges originating from ever changing technological development with huge implications for financial inclusion. Human Resources Development of the financial sector ought to be humane as well so that there is a desired change in their mindset to work for the unbanked and underserved as he observed.

FDIC(2014) described that as community leaders, community bank officials can work to gain the support of regional, state, and local government leadership for their bank/CDFI(Community Development Financial institutions) partnerships. Banks can encourage these and other economic development stakeholders to support bank/CDFI partnerships by directing resources to the partnerships' targeted areas. The local government may be helpful in providing financing tools, such as credit enhancements for loan pools to support bank/ CDFI partnership activities. In rural areas, regional councils of government, state agencies, and some utility companies can provide support for bank/CDFI partnerships and other community development activities.

The finance minister of Govt. of Bangladesh AMA Muhith has proposed to increase the volume and coverage of the government's social safety net programmes in the 2017-18 fiscal year to improve the living standards of the poor in the national budget speech. He proposed to raise the number of recipients of old age allowance to 3.5 million from 3.15 million, widow and oppressed women allowance to 1.27 million, disability allowance to 825,000, education stipend for students with disability to 10,000 at both primary and secondary levels, and maternity allowance to 600,000.Tk11.35 crore has been allocated as a special allowance for transgender people, while the allowance for financially insolvent disabled people has been increased to Tk700 per month. In addition, the government will continue the existing social protection programmes, including the Vulnerable Group Development (VGD) programme. The government has already employed emergency schemes to provide 30kg rice every month to each of the 330,000 bona fide destitute and flood-affected families in Haor areas, the finance minister said in his budget speech. In addition, Tk57 crore has been allocated to provide cash assistance to the affected people on a monthly basis.Tk82.07 crore has been allocated for 91,447 beneficiaries under the Employment Generation Programme for the Poorest (EGPP). (Source: Dhaka Tribune,2nd June,2017)

Rutherford (accessed on 1st June 2017) observed that in Bangladesh poor people manipulate their savings through a wide range of methods of saving up, saving down, and saving through, and they do it frequently and intensively. They found no less than 33 different money management systems in use. At the most formal end of the spectrum were banks, insurance companies, and NGOs. Less formal methods included savings clubs, moneylenders, buying goods on credit, and obtaining wage advances from employers. At the most informal end of the spectrum were loans between family members.

Still in Bangladesh informal sector is much larger than formal sector where employment opportunity is very high in Bangladesh. In the country, 87 per cent of the labor force is employed in the informal economy according to the labor report on 2010. Those who working in the informal economy include wage laborers, self-employed persons, unpaid family labor, piece-rate workers, and other

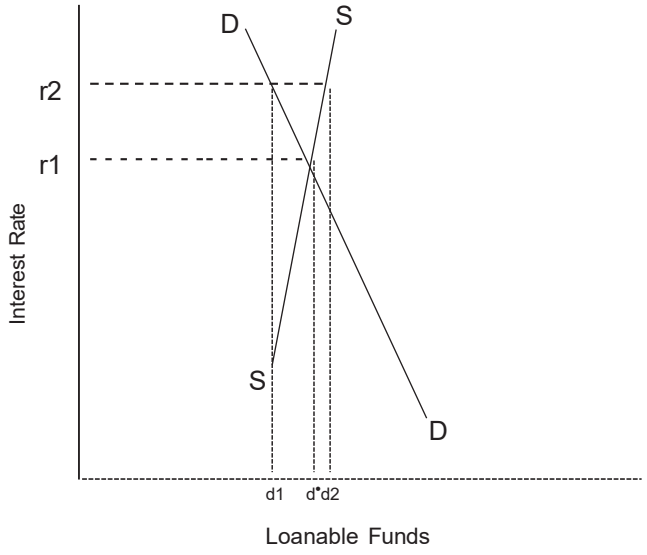
hired labour (Source:http://ilo.org/dhaka/Areasofwork/informal-economy/lang--en/index.htm, viewed on 1st March,2017).

Informal credit market in the absence of regulatory framework is working without any sort of hindrance in the country which needs to bring under supervisory framework. Siddique (2008) described that in the country credit is provided by informal lenders who may be friends and relatives, by mahjans who are intermediaries with trade and/or production relationships with enterprises ,and by traditional money-lenders. The informal market is potentially large and expanding. Below we have seen the informal credit market of the country in Figure:1 .

Interest rate in the informal market is much higher than formal market and job security as well as obtaining direct taxation form the informal sector is not feasible. As such social networking and community banking may help to convert formal sector.

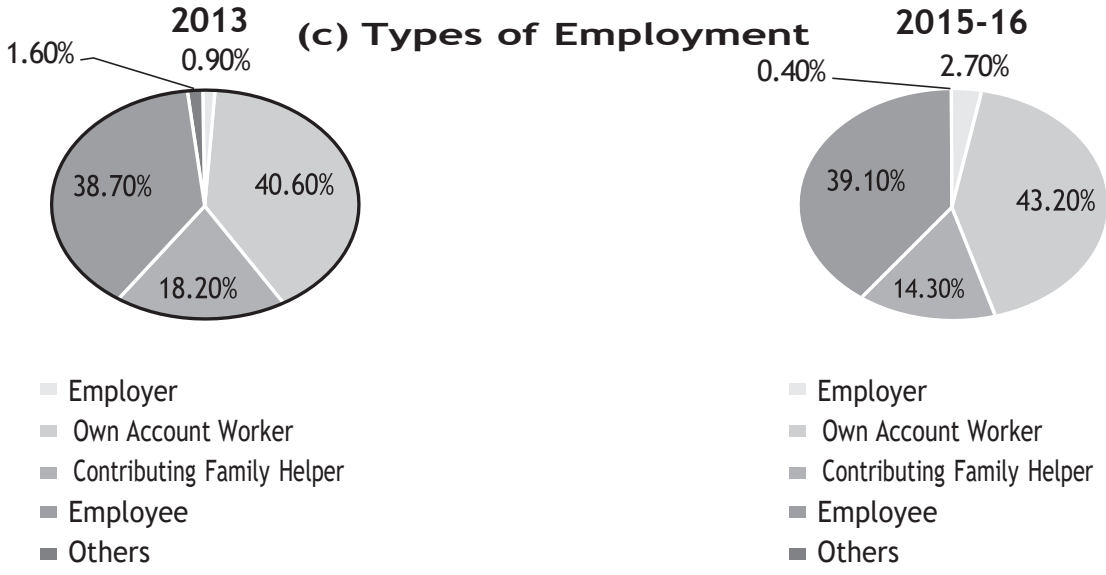
Rahman(2017) quoting labor force survey 2015-16, majority of employment is generated in the agriculture sector, but employment is gradually shifting to the services sector. Contribution of service sector employment has been growing, with 36.9% of employment generated in 2015-16, compared to 34.1% in 2013 is shown in following Figure: 2.

Figure:1 Bangladesh Informal credit Market



(Source: Siddique, 2008)

Figure:2 Types of Employment in Informal sector



(Source: Rahman ,2017)

In the informal sector 87.8 percent totally is working while 11.4 percent is working in the formal sector. As per the following data formally employed in multiple job is zero percent. Formally and informally employed in multiple jobs is 0.1 percent in totality basis. Informally employed multiple jobs are totality basis is 0.6 percent. On the basis of Table:1, the study has shown figure;3 below.

Note: A universal definition is that those who are not within any sort of contractual agreement or its entity than they will fall under the criteria of supernormal profit.

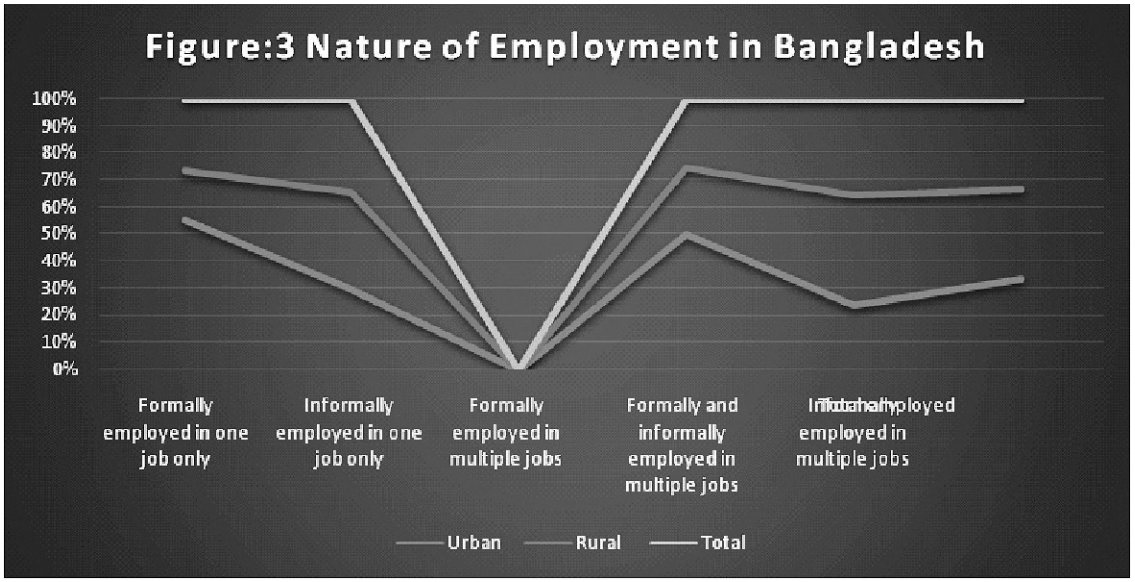
Entry towards the formal monetary system left to a contest for the underprivileged people of the country as existing financial system mostly ignoring them. Current banking system of the country has missing link to provide services for a larger portion of the rural people and participating in decision making process and creating empowerment of the people. As such Bangladesh needs alternative banking framework at a least cost combination and helping the underprivileged people at the grass root level. Moreover, some NGOs are not working due roles as they are charging higher interest rate which is not feasible for borrowers to repay without cutting welfare and social ignorance. Micro savings need to be encouraged to bring the unprivileged people to the banking system. With the introduction of the electronic banking current commercial banking rate is much higher.

We have shown Gini index of Bangladesh from 1967 to 2011 in Figure:4 below:

Table:1 Number of Employed Persons by Nature of Employment and Urban/Rural

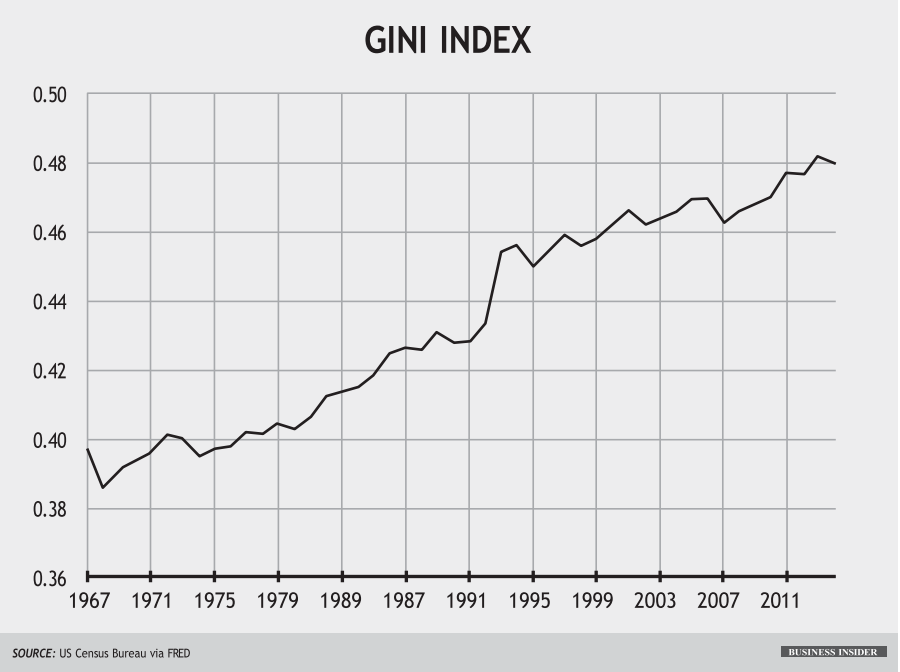
Nature of Employment	% to Total Number of Employed		
	Urban	Rural	Total
Formally employed in one job only	23.9	7.7	11.4
Informally employed in one job only	75.5	91.5	87.8
Formally employed in multiple jobs	0	0	0
Formally and informally employed in multiple jobs	0.2	0.1	0.1
Informally employed in multiple jobs	0.4	0.7	0.6
Total employed	100	100	100

(Source:http://www.wiego.org/sites/default/files/publications/files/Asian-Devt-Bank-informal-sector-informal-employment-bangladesh.pdf,Viewed on 1st June, 2017)



(Source: Drawn by author based on Table:1)

Figure:4 Gini Index of Bangladesh



(Source:http://static2.businessinsider.com/image/56411769bd86ef17008c8767/the-united-states-has-become-more-unequal-over-time-the-gini-index-a-commonly-used-measure-of-income-inequality-among-households-has-steadily-risen-since-the-late-1960s.jpg,Viewed on 1stNovember 2017)

Research question of the sturdy is whether community banking and social networking can transform from micro savings to micro investment towards empowerment of the people?

Literature Review

UNCDF & UN DESA (2006) suggested that in a particular national context, processes to build inclusive financial sectors would include: Taking stock of the state of financial sector development and access; Analyzing constraints; Collaborating with external partners; Mobilizing technical and financial support from development partners; Mobilizing policymakers and stakeholders, and fostering their ownership of a dialogue process; Building a shared vision; Analyzing policy options and policy formulation; Ensuring implementation and ongoing review. Acemogluand and Ozdaglar(2009) described that social and economic networks refers to a set of people or groups of people with some pattern of contacts or interactions between them. Face book, friendship networks, business relations between companies, intermarriages between families, labor markets. Recent years witnessed a substantial change in network research. From analysis of single small graphs (10-100 nodes) to statistical properties of largescale networks (million-billion nodes).Motivated by availability of computers and computer networks that allow us to gather and analyze large scale data.Gangopadhyay and Dhar (2014) described that social networking and online privacy seriously turn out to be a serious concern when sensitive information is being shared and with the changing definition of 'social networking' in this internet age.Riggio (2014) described that Social intelligence (SI), is mostly learned. SI develops from experience with people and learning from success and failures in social settings. It is more commonly referred to as "tact," "common sense," or "street smarts". Lake and Huckfeldt (1998) argued that politically relevant social capital is generated in personal networks, that it is a by-product of the social interactions with a citizen's discussants, and that increasing levels of politically relevant social capital enhance the likelihood that a citizen will be engaged in politics. Further, the production of politically relevant social capital is a function of the political expertise within an individual's network of relations, the frequency of political interaction within the network, and the size or extensiveness of the network. The consequences of social relations within networks are not readily explained away on the basis of either human capital effects or the effects of organizational engagement. Actually social relations are very important. As such social intelligence and social entrepreneurship works with social networking. Social mixing should form an

integral part of social intelligence development in teenagers. It argues that parents may have an important role to play, as older generations own circles also remain relatively closed to different cultures, backgrounds and upbringing.(Source:

http://movingonmagazine.co.uk/has-too-much-social-networking-stunted-your-social-intelligence/(Viewed on 1st January,2017). The success of a new venture often depends on an entrepreneur's ability to establish a network of supportive relationships.

Leadbeater(1997) argues that social entrepreneurs need to lead the way with schemes for self-help, particularly by promoting local, national and international twinning arrangements between projects to share ideas, contacts and staff. For liberal feminists, the optimum level of gender arrangement is one that facilitates the individuals to adopt the life style that suits him or her and also accepted or respected (Ritzer, 2001) by the society at large. However, liberal feminists are not in favor of structural change to a great extent. Furthermore, some of liberal feminists think that individual woman cannot make change; therefore, state intervention is prerequisite. BarNirandSmith (2002)argued that the social networks of senior executives account for 11–22 % of the variance in the degree to which firms engage in alliances, depending on the type of alliance. Results also show that the number of inter firm alliances is positively related to several networking properties (propensity to network, strength of ties, and network prestige. Hunt and Kasynathan(2002) pointed out that only a few number of women receiving credit had the ability to control their loans. Many women received loan by their own name and passed on the full amount of their loans directly to their husbands, sons or sons-in-law. Swain (2006) conducted a study following experimental research design in rural India and assessed the potential impacts of a microfinance institution named Self Help Group (SHG). The concept of women empowerment was defined as the process in which the women challenge the existing norms and culture to effectively improve their well-being.

Barr (2005) argued that community Reinvestment Act (CRA) has enhanced access to credit for low-income, moderate-income, and minority borrowers at relatively low cost, consistent with the theory that CRA is helping to overcome market failures. I argue that the form of CRA's legal directive, more akin to a standard, is preferable to more rules-based approaches, on grounds of both efficiency and legitimacy.

Sen (1999) commented that freedoms are not only the primary ends of development, they are also among its principal means. In addition to acknowledging, foundationally, the evaluative importance of freedom, we also have to understand the remarkable empirical connection that links freedoms of different kinds with one another. Political freedoms help to promote economic security. Social opportunities facilitate economic participation. Economic facilities can help to generate personal abundance as well as public resources for social facilities. Freedoms of different kinds can strengthen one another.

Karnani (2007) summarized following problems of microcredit from various studies: Microloans are more beneficial to borrowers living above the poverty line than to borrowers living below the poverty line microcredit; seems to do more harm than good to the poorest; microcredit is the businesses it is intended to fund. Williams &Durrance(2008) found that across a number of instances of community technology, technology use is directly influenced of social networks, and social networks are directly influenced by technology use. Perron (2011) examined case by case the various approaches from companies, public sector entities, philanthropy, etc., and also institutional and private investors in their availability as well as their specific legal capacities and limitations to deliver the funding required supporting the growth. Such initiatives are vital in the fight against poverty and income inequalities. Batool(2013) commented that implementation of emotions intelligently in any organization by a leader to be effective and efficient plays a vital role to leader effectively. Emotional intelligence is one of the useful tools which helps a leader to judge people more clearly and closely and build a connection between people.

Bhattacharya et al. (2014) described that social networking has affected the process of marketing and how present day marketing activities is highly dependent on this phenomenal process of social networking. Also focus has been laid on how social networking affects the process of market signaling and hence reduces the possibility of asymmetric information within a market and lowers the possibility of market failure for a particular product. Yang et al. (2014) observed that social intelligence

and technology explore the roles of information, the Internet, and mobile technology in improving our understanding about human behaviors and social interaction in human society at the individual, interpersonal, and community levels—building a sustainable social environment, developing social intelligence, and having practical applications with major impacts in solving societal problems such as health, security, energy, and the environment. Ali(2016) suggested that establishment of integration fund to encourage creative entrepreneurship so that poor downtrodden people can come out with innovative business process through financial inclusion process, to remove poverty.

This alternative framework was an attempt to develop a theory on how social networking facilitates to empower people which were developed by Muhammad Mahboob Ali (2016) to test any country The study will extensively tries to display an integral part regarding different dimensions of empowerment before involving in social networking and after involving in social capital, social along with business and social investment along with social intelligence ,social enterprises along with micro savings transformed to micro investment. Social intelligence is also one of the key components to readdress to come out from poverty. In Current century a greater role is being played by social media for which interpersonal connectivity in vital. Environmental scanning for doing the business is vital especially to ease the business process and local economies. Empowerment of people rises from decision making process when people do have purchasing power capability. Community banking framework should be developed under a regulatory framework which will work starting in joint effort of Pali Sanchya bank, Karmasonsthan bank, Bangladesh NGO Foundation and postal savings deposit and creating investmentenvironment at nano and micro level.

Community banking idea is larger than agent banking or mobile banking. It will give the scope of financial inclusion and current 80% people who are working informal sector will gradually transformed to the formal sector. This will also help to raise direct taxation as well as employees' job satisfaction and job security.

Technological diffusion, innovation, creativity and suitable regulations by the local level planning with local level law of the province are the key to deepening financial inclusion analysis where nano saving must be transformed to nano investment. Community banking will help to expedite the process of social networking and ultimately empowerment of people.

The Rabobank view(2005) described that Rabobank was founded in the Netherlands more than a hundred years ago as a co-operative bank providing access to financial services for small farmers and offering a secure option for savings to the local community. The driving force behind the Rabobank Group has always been to create opportunities for individuals and organizations to participate fully and independently in economic activities.Rabobank has developed an integrated concept of sustainable rural financing in developing countries. In addition, Rabobank participates through its different departments in international platforms and partnerships concerning the challenge of economic development in developing countries.

Dupas and Robinson(2006-07) depicted that the Bumala branch of the Financial Services Association (FSA) is a community-owned and operated "village bank" that receives support (in the form of initial physical assets and ongoing audit and training services) from the Kenya Rural Enterprise Development Agency (K-REP).They provide following results and following policy lessons: Impact on Bank Account Take-up: Eighty seven percent of study participants offered a free account agreed to open one, but 40 percent never made a deposit after opening the account. Of the 47 percent who did utilize their account, women (all market vendors) made significantly larger deposits, with a mean total deposit of 2,840Ksh (US$40.57) for women, compared to 1,290Ksh (US$18.42) for men (most of whom were bicycle-taxi drivers). Impact on Savings: Access to a bank account significantly increased savings among market women, but not among male bicycle-taxi drivers. Market women in the treatment group deposited 9.36Ksh per day in their account on average, while bank savings in the comparison group were zero since almost none of them opened an account on their own. Informal savings mechanisms (such as investments in livestock or participation in savings clubs) did not decrease for market women in the treatment group, suggesting a net increase in savings. Impact on Business Investment: Access to a bank account increased how much market women were able to

invest in their business, on average. Impact on Expenditures: Access to a bank account significantly increased expenditure levels for market force.

Mallick(2009) found that moneylenderinterest rates go up with the percentage of households borrowing from Micro Financial Institutes (MFIs). Productive investment of loan lowers moneylender interest rates. But MFI program expansion increases moneylender interest rates in the villages in which more loans are invested in productive economic activities. As loans are utilized in productive purposes, the likelihood of repayment increases so that moneylenders are able to charge lower interest rates.

Morduch (2010) observed that in banks profit from loans and want to hold on to customers' savings; the Rebuilder product reduces loan-taking and encourages withdrawals. Still, a bank with a strong social mission – or a belief that the product will encourage saving on net by making deposit accounts more useful – may be enticed to give customers better choices.

Dupas et al.(2012) depicted that while simply expanding access to banking services will benefit a minority, broader success may be unobtainable unless the quality of services is simultaneously improved. There are also challenges on the demand side, however. More works need to be done so that savings and credit products are best suited for the majority of rural households.

Ngalemwa(2013) described that village Community Banks (VICOBA) have benefited people in reducing their income poverty by playing an important role in enabling the poor to save and access credits. VICOBA lending model is a unique and an effective tool for development of rural communities.

Ahmad (2016) depicted that a necessary condition for successful poverty alleviation and sustained growth is poverty increase.

Halim et al. (2016) found that the series of income inequality and savings demonstrate a nonlinear relation in Bangladesh. Savings behave differently at different level of income inequality. Moreover, this nonlinear relationship is due to changes in economic policy. From our data set we can see that economic liberalization has improved the inequality situation of our country and caused savings GDP ratio to increase.

Valkenburg and Piotrowski(2017) argued that the negative spin that youth and media research often receives in the news can give most people the idea that media primarily have negative effects on children and adolescents.

Pulido and Italia (accessed on 2017) described that in the light of Sen's capability approach - where poverty is understood as a capability deprivation to live a good life – the best design for a microfinance program is not to provide microloans, but to provide micro savings and micro insurance, along with other non-financial service programs. Practices of community managed financial capital (strictly interconnected with social capital) implemented in developing countries stimulate a reflection on the possibility of reaching a social and economic balance in European countries, capable of recreating or extending the network of resources of those people whom the current economic system is forcing towards social exclusion and financial illiteracy.

The Sustainable Development Goals (SDGs) possesses 17 Goals build on the successes of the Millennium Development Goals, while including new areas such as climate change, economic inequality, innovation, sustainable consumption, peace and justice, among other priorities. The goals are interconnected – often the key to success on one will involve tackling issues more commonly associated with another. The SDGs work in the spirit of partnership and pragmatism to make the right choices now to improve life, in a sustainable way, for future generations. They provide clear guidelines and targets for all countries to adopt in accordance with their own priorities and the environmental challenges of the world at large. The SDGs are an inclusive agenda. They tackle the root causes of poverty and unite us together to make a positive change for both people and planet. "Supporting the 2030 Agenda is a top priority for UNDP," said UNDP Administrator Helen Clark. "The SDGs provide us with a common plan and agenda to tackle some of the pressing challenges facing our world such as poverty, climate change and conflict. UNDP has the experience and expertise to drive progress and help support countrieson the path to sustainable development."(Source: http://www.undp.org/content/undp/en/home/sustainable-development-goals.html,1st March,2017)

Ali (2017) suggested that Bangladesh NGO

Foundation (BNF) may set up a business incubator as well can organize training, counseling and financial support to prospective nano and small entrepreneurs in performing with the sustainability in the long run. This will in turn play vital role for the socio-economic development of the country for which community banking is necessary. Micro savings should be used as Micro investment through arranging community banking in the formal sector under structured rules and regulations. As such we should enjoy pro-people activates with development and entrepreneurial ventures.

Ali et al.(2017) commented that policy makers should come forward to think how community banking with the applicability of the social networking can be used in local level planning system of the country. They also argued that people must be cautious about misuse of social media as reported by different dailies. They also argued that PKSF may play vital role as they arranged pro people centric research work.

Powel (2017 viewed) in a letter described that in USA Community banks are a critical component of their country's financial system and economy. They creatively meet a diverse array of consumer and commercial credit needs and are important partners in the economic stability of their communities. Over the years, community banks have successfully adapted to changing consumer and business preferences and challenges in local and national economies (https://www.csbs.org/news/csbswhitepapers/Documents/FINALPUBLICATION.pdf viewed on 23rd August,2017).

Justification of the Study

From the literature review it is pertinent that though there are various studies in the area of community banks or social networking but how these two can act as interlinked manner for empowerment of people doesn't discussed. The study arises to develop a theoretical framework how social networking which is working for long historical background can help community based development purpose so that poor income strata of the people can have better livelihood. If only micro savings is accumulated but allocation and distribution cannot occur than it will be a burden for those who keep the money at their hand due to time value of money. Moreover, sometimes in the country multilevel marketing (MLM) companies are preying on regulatory and human weaknesses. They are managing funds and doing banking business illegally, but openly. Asset managers, merchant bankers, brokers or portfolio managers who manage others' wealth are subject to government license to operate (Daily Star, 2011).As such if community banking can be used under a regulatory basis then it may have a larger impact on transformation process of micro savings to micro investment and risk of theft-burglary will reduce. Most important thing is that current banking system despite creating new commercial banks are not performing at local level planning work as well as financial inclusion process in Bangladesh.

Objectives of the Study

The study has been undertaken with following objectives:

i) To assess whether any need for a new theory for doing economic development of poorer segment;

ii) To examine how social networking and community banking can help for attaining empowerment of people;

iii) To provide some implications of the study for arranging distributional economic benefits and transformation from informal sector to formal sector.

Methodology of the study

Based on aforesaid literature review and also objectives of the study, we observed that there is no clear study on impact of social networking and community banking for transforming micro savings to micro investment. As such the study intends to developthe theoretical model .The study used secondary sources. Time period of the study is from 1st January 2016 to 30 November, 2017.The study tried to consider objectives of the study through conceptually for formulating the model. Further, through reviewing different literatures this study tried to develop some theoretical framework which helped to develop a proposed model. This is just a qualitative analysis not quantitative analysis.

In future a separate study may be done considering social networking as a dependent variable while another study may be done considering community banking. Independent variables may be social capital, social medial, social business, social education, social entrepreneurship, purchasing

capability, adding value, education level, and rise of income level among the people, Further another model can be done considering micro savings while independent variable will be social capital, social networking and community banking, competitive sustainability, efficiency, effectiveness, and micro investment. Through framing questionnaire, the future study may collect data and can do binary logistic regression equation, chi square test, and factor analysis. Otherwise structural equation may be done.

However, this study only develops a proposed model as it is a conceptual study.

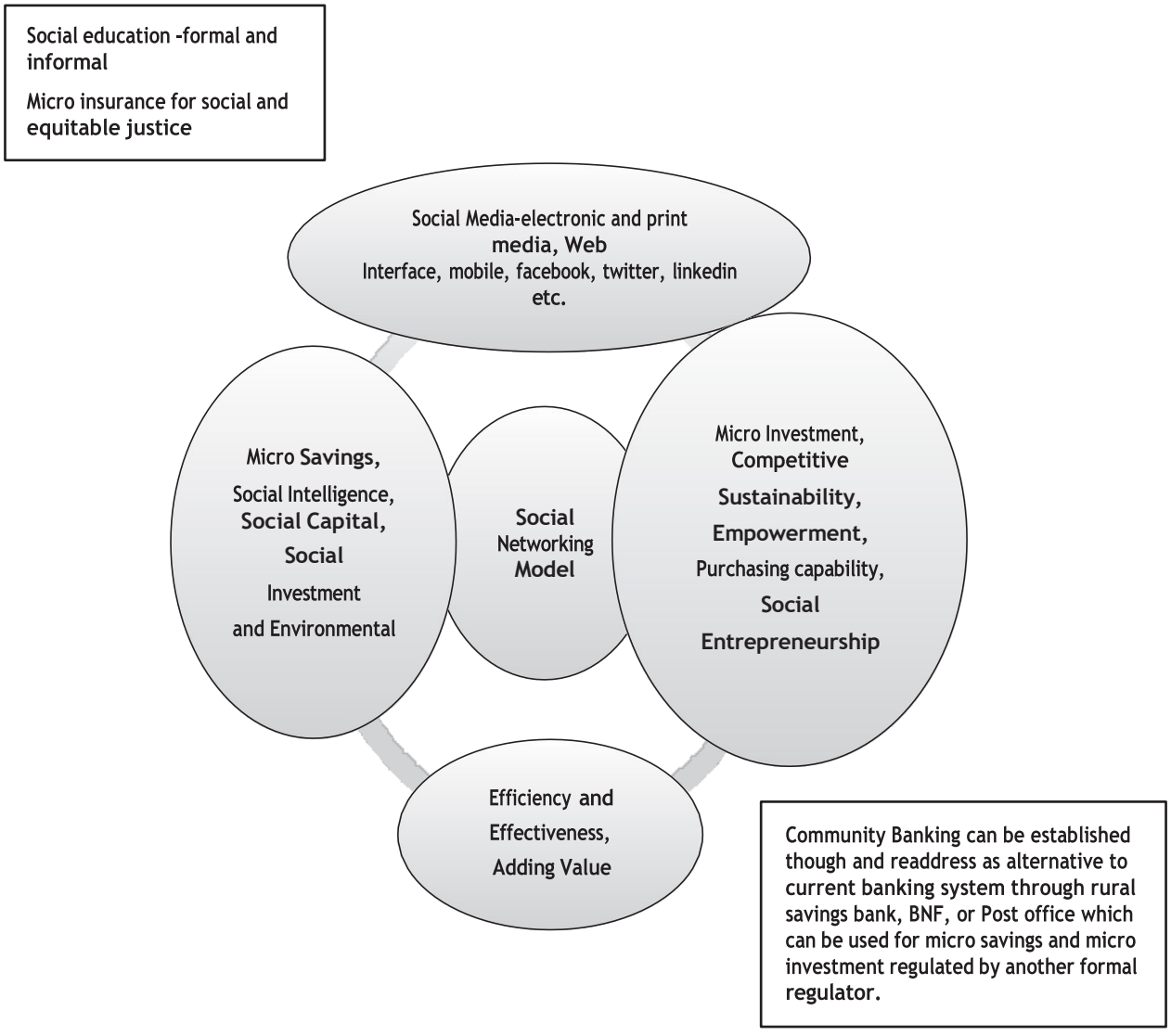
Proposed Model

Chart:1 Social Networking Model ,Community Banking and empowerment of people is shown below:

Chart:1 Social Networking Model ,Community Banking and empowerment of people through transformation of Micro savings to micro investment.

Aforesaid model is associated with several endogenous and exogenous variables for which interested researcher can contact with the author to build model for testing in real scenario.

In Chart:1 we have seen a model as concept developed by Ali(2016) based on aforesaid discussion in this section as Social Networking Model and empowerment of people through transformation of Micro savings to micro investment with the help of community banking .Social capital and social business will work as a push factor. As an outbound logistic, social entrepreneurship can work along with creating



(Source: Concept of a model built by Muhammad Mahboob Ali, 2016)
Aforesaid proposed model indicates how micro savings can be transformed into micro investments.

purchasing power as well as sustainability when competitive advantage can be added and micro investment works in a feasiblemethod. Social media along with Internet and web interface should play vital role. However social education in the form of formal or non-formal is very important to act as a complementary factor. Micro insurance also substantive power to help in the process of economic development. Without social intelligence investment cannot be made positive i.e. return on investment may not be positive. Efficiency and effectiveness will add value in the domestic as well as global value chain if both primary and supportive activities work together.

Note: Aforesaid model may be tested by other researchers of various countries and inform to the author so that it can be scrutinized and further improvement of the model can be done, if necessary.

Analysis of the Findings and Discussions

The result from the study tried to describe those people's empowerment which is closely related with Social Networking, Social intelligence and social entrepreneurship along with social capital and social investment all work as a holistic approach. Community bank will help to attain financial inclusion which in turns endorses wide-ranging development, creative ideas and ventures, increasing occupational opportunities and contests lacking by releasing progressive changes for the underprivileged and deprived people of the country with the help of digitalization process. This will also reduce the fraudulent activities of the cooperative banks and fraud syndicates due to lack of proper supervision and monitoring. As such Govt. should take initiatives to set up community banking for the unbanked people at a cheaper rate but effective manner. Acemogluand and Ozdaglar (2009) commented on social and economic networks for improving the livelihood of the people as well as creating employment opportunity is feasible through using social networking and community banking. Social welfare is needed for the betterment of the poorer group of the country. Multilevel marketing (MLM) companies are doing different sorts of fraud by taking greediness and oppression among poorer section of the country. Morduch (2010) argued that banks profit is still prevailing in the traditional or conventional banking process. Alternatively we are suggesting community banking for the services of the poor income strata.

Ngalemwa(2013) found on village Community Banks (VICOBA) which has benefited people in reducing their income poverty by playing an important role in enabling the poor to save and access credits can also be possible in Bangladesh if we try through community banking under separate regulator.

However, there has been report that by a section of the people that misuse occurs in case of social medial towards less than 18 years and female group. Further some reports indicated that social media misuse by terrorists. Constant monitoring on social media is required to be arranged by the competent authority and cyber police of the respective country. Social integration should form an essential part of community aptitude expansion in adolescents. Guardians should have a significant role to play as adult age group hold loop so that staying comparatively closed to dissimilar societies, surroundings and rearing up in a meaningful manner when global world is opened.

Pulido and Italia (accessed on 2017) suggested that community managed financial capital (strictly interconnected with social capital) implemented in developing countries stimulate a reflection on the possibility of reaching a social and economic balance which is much needed in Bangladesh especially in rural areas. As such community banking with the help of social networking can act more enthusiastic way.

Social relationship is very much important. People'senvironmentsis not virtuous before accomplishment tangled in social networking and after attainment complicated in the income of the family had been increasing. After involving in social networking the women started to participate in different income generating activities. Then, they also started to control over income, expenditure, credit and savings. They could then participate in household decision making more than before. Rural savings will be turned to rural investment lead to social entrepreneurship for which we need implementation and help from local level planning. It will be found that in dimensions the people started to become more empowered than before involving in social networking. This may be supported by Technology, innovation and suitable regulations -the key to deepening financial

inclusion analysis where nano saving must be transformed to nano investment. Leadbeater(1997) proposed social entrepreneurship can be systematically developed through community banking which can act for social welfare. Community banking will reduce the informal lending at the rural area. Mallick's (2009) observation on Micro Financial Institutes (MFIs) needs to reduce interest rate and his observation for involving in the productive production process can reduce the interest rate. Sen's(1999) capability approach should be considered by the policy makers.

Rabobankat Netherlands works as a co-operative bank providing access to financial services for small farmers and offering a secure option for savings to the local community which may create an example for our country. Ngalemwa(2013) suggestion can be followed as village Community Banks (VICOBA) have benefited people in reducing their income poverty by playing an important role in enabling the poor to save and access credits .Employment opportunities with economic growth must be ensured at the formal sector for which informal sector should be gradually replaced by the formal sector. Strong political will associated with proper planning and implementation process is important in this aspect.

Concluding Remarks and Implications

Social networking and community banking may be applied for transforming micro savings to micro investment through creating social capital. This will also help to transfer to formal sector from informal sector. Employment opportunity accompanied with economic growth should be raised in the formal sector. This will help to attain equitable growth, social justice and removing income inequality. If we cannot take the benefits of demographic dividend then it may transform to demographic bomb. Actually financial inclusion is feasible thorough arranging community banking under regulatory measures otherwise it may create a disorder. As present government of the country is pro people so they need to take initiative to arrange community banking with a separate and strong regulator and reducing percentage of informal sector to formal sector. Emotional intelligence should be used to judge people and to empower themselves. This will also help to attain sustainable development goals. Side by side govt. should arrange micro insurance for which Insurance Development and Regulatory Authority (IDRA) may work or it can be under the separate regulator of micro savings-micro investment and micro insurance.

Social welfare and grand utility will be tangent when equitable distribution can be attained. As such micro savings must be transformed to micro investment both rural and slum dwellers of the urban area. However, service charges and cost of transaction of the community banking must be kept very low so that the compensation criteria provided by the Hicks, Kaldor and Scitovsky. Noose et al. (2011) comment should be counted as it has a positive impact on financial inclusion. Community banking in Bangladesh can help to attain the goal as supply chain management of the banking sector for the unbanked people can be attained and add value in the society. Macroeconomic stabilization depends on successful implementation of investment and positive return on investment. Situation of the Gini coefficient ought to improve so that social justice and equitable distribution can be arranged and removing income inequality can be attained in the country. Empowerment of people may arrange the aforesaid situation to attain. Virtually to have dynamic economic situation along with people's welfare may be attained through converting collecting savings and channeling it in the investment procedure for which shall deposit can also help and as such a spate regulator is needed before establishing community banking. Multilevel marketing (MLM) companies should not be permitted to work as they are working without any legal status and doing fraud. Systematic procedure and legal status for community banking should be developed which will replace current agent banking system also. To implement sustainable development goal there is no other alternative but to creative alternative banking system in the rural areas so that poor people can not only save but also interested to invest in the local level planning process for which employment can be generated. As such productive investment through social entrepreneurship in the rural areas and changing the structure of the rural economic dynamics is very much important to add value in the domestic and global value chain with efficiency and effectiveness. Social education is also work as an important component to come out from the vicious circle of poverty. This theory was developed to remove poverty, creating equitable justice, eliminating income inequality through arranging linkage between social networking and community banking

for empowerment of people. This will in turn help to add value in both domestic –regional and global value chain if collaborative effort can be taken by the policy makers. Micro-insurance may trapped self-assuredly on the emblematic way of existing low salary recipients at the country if proper SWOT analysis won't be done or better proactive system cannot be arranged.

One suggestion for ENRICH program-those who want to build as per model of ENRICH house with middle incomegroup may be encouraged and interest rate may be kept lower.

Violence against the girl and women should be stopped for which social networking should play pro-active role. Social media should be vigilant so that misuse cannot be done. Transformation of the society need to be sustained at long run for which micro-savings-micro–investment and micro insurance can work as a catalytic fashion. Theory did not consider graduation process from LDC of Bangladesh.

Limitations of the Study

The study is developed theoretically. With some co-authors in another paper we tried to test only two villages of the country and found it will have immense benefit for economic development. But to formulate the theory it needs more empirical tests not only Bangladesh but outside the country. If it is found workable than implementation of the theory into real life scenario is to be needed for which policy makers may take proper steps to implement.

Future Research Direction

The theory which was developed by Ali(2016) through presenting in a workshop on"social networking,community banking and empowerment of people: alternative framework for welfare of human being" may be empirically tested in different countries of the world and also at Bangladesh by various researchers to give a structural formation considering cost-benefit analysis, shadow pricing, chi square test, factor analysis, validation and reliability of the theory in the real life scenario both global and domestic perspectives with a request to inform the result to the author. Moreover, in this model if researchers can check the relationship among the variables of this model both exogenous and endogenous factor as well as pull factors and push factors first testing reliability test, data through regression technique using LISERAL software or Structural Equation model or factor analysis , then this theory can add more contribution towards research. To test this theory in real life in a greater extent huge monetary and time factor is also being needed. World Bank or any other International /Domestic/Govt./Private organizations may test the model in a greater extent to practically involve in the process of Economic development of the country.

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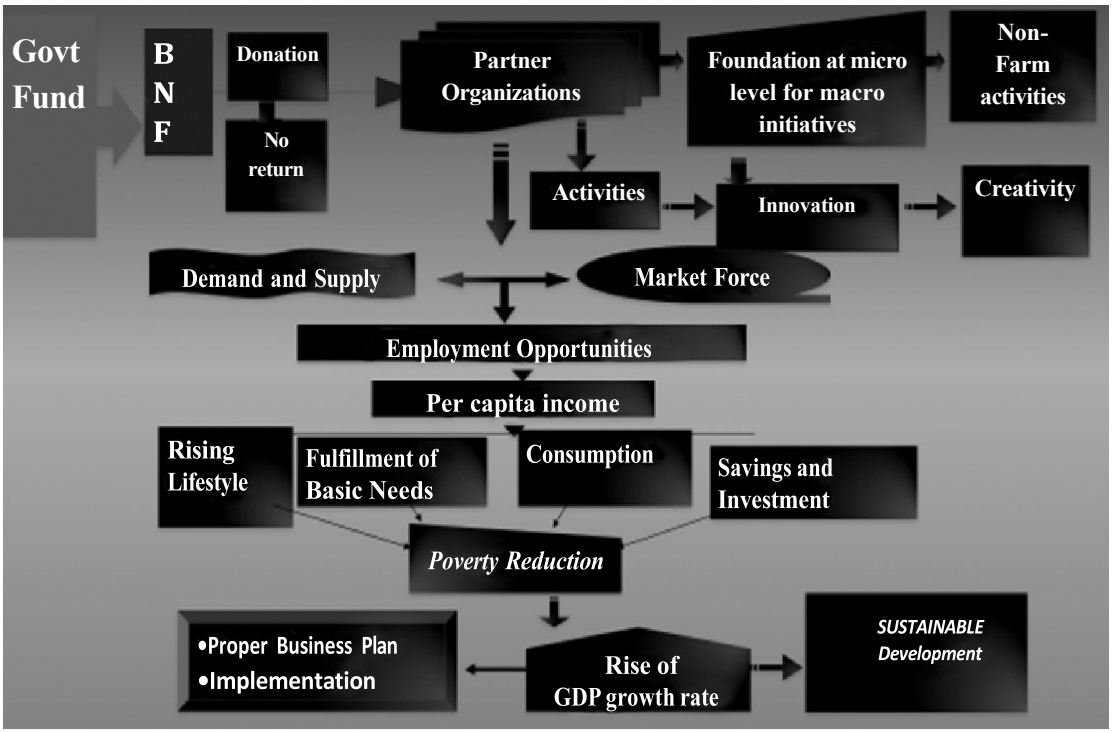
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Appendix:

BNF Grant Model:



(Developed by Muhammad Mahboob Ali 2016)