

Rural Poverty Alleviation and social capital Nexus: The Mediation Role of Women Entrepreneurship and Social Innovation

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Abstract

Alleviating extreme rural poverty has been a major policy challenge battling researchers and policymakers particularly in developing countries. However, in the recent decades, women entrepreneurship has received an unprecedented attention from policy makers and development partners due their major contribute to wealth creation, poverty alleviation, gender equality and societal welfare. Focusing on the policy strategies to alleviate extreme poverty particularly in the developing counties, this study examined mechanism through which women entrepreneurship and social innovation can be stimulated to play an intermediating role between social capital and poverty alleviation. In this study, three hundred and thirty-three (333) women entrepreneurs in the Agribusiness sector were randomly selected from fifteen communities in the Seeker South District in the Ashanti Region of Ghana.

The Structural equation model was employed to estimate the strategies and the mediation effects of women entrepreneurship growth and social innovation between social capital and rural poverty alleviation using the Smart PLS software version 3.0. The findings reveal that rural women entrepreneurs harnessing social capital such as bonding ties, trust, establishing formal and informal networks contribute positively to rural poverty alleviation. Social innovation and relational social capital have a strong direct and indirect impact on entrepreneurship growth and poverty alleviation respectively.

This work is partly presented at 6th Global Entrepreneurship & Business Management Summit