SOCIAL CAPITAL DEVELOPMENT IN MOUNTAIN TERRITORIAL COMMUNITIES: A STRATEGIC APPROACH IN A MULTI-ETHNIC REGION

Mykhaylo Pityulych[1]
Krystyna Kudak [2]

DOI: https://doi.org/10.30525/978-9934-26-715-4-14

Abstract. The sustainable development of mountain territorial communities depends not only on financial, infrastructural, and natural resources but also on the quality of social relations that determine the ability of residents to cooperate, participate in local governance, and collectively address common challenges. This issue is particularly important for mountainous areas of Zakarpattia, a multi-ethnic region characterized by geographical remoteness, settlement fragmentation, economic disparities, labor migration, and considerable cultural diversity. Under these conditions, social capital can become an important resource for strengthening community resilience, improving local governance, stimulating civic participation, and supporting socio-economic development. *The purpose* of this study is to identify the main factors and barriers influencing social capital development in mountain territorial communities and to substantiate a strategic approach to strengthening trust, civic participation, horizontal cooperation, and local self-organization. *Methodology* is based on the results of sociological monitoring conducted among residents and representatives of local self-government in mountain settlements of the Zakarpattia region. The study applies systemic and comparative approaches, sociological analysis, strategic planning, expert evaluation, and project management methods to assess the current state of social capital and identify strategic priorities

[1] Doctor of Economics, Professor,
Corresponding Member of the National Academy of Sciences of Ukraine,
Head of the Department of Finance and Banking,
Uzhhorod National University, Ukraine;
Director of Transcarpathian Regional Centre
for Socio-Economic and Humanitarian Research of the NAS of Ukraine, Ukraine
[2] PhD, Research Fellow of Transcarpathian Regional Centre
for Socio-Economic and Humanitarian Research of the NAS of Ukraine;
Uzhhorod National University, Ukraine

© Mykhaylo Pityulych, Krystyna Kudak

for its development. *Results* demonstrate that social capital in mountain territorial communities remains insufficient for ensuring sustainable socio-economic development. The major barriers include low trust in local authorities, economic insecurity, weak civic participation, limited development of public associations, insufficient horizontal cooperation, and ineffective communication between authorities and residents. At the same time, the findings confirm the importance of local identity, reciprocity, social infrastructure, volunteer activity, participatory practices, and external networks as resources for strengthening social cohesion. A strategic approach to social capital development is proposed, based on evidence-based planning, socio-economic realism, anticipatory development, strategic alternatives, expert evaluation, and cross-level coordination. Particular attention is given to mechanisms that transform social capital into tangible territorial outcomes through community initiatives, participatory budgeting, entrepreneurship, employment creation, tourism development, environmental cooperation, and improved public services. *Practical implications* of the study lie in the possibility of applying the proposed strategic priorities and mechanisms by local authorities, civil society organizations, and community leaders to strengthen civic engagement, institutional trust, and territorial resilience. *Value/originality* of the research consists in combining the social capital perspective with strategic territorial development and adapting it to the specific conditions of mountainous and multi-ethnic communities.

This research was conducted as part of the project "The Impact of the Russian-Ukrainian War on the Formation and Development of Social Capital in a Multiethnic Region" (2026).

INTRODUCTION

The sustainable development of mountain territorial communities depends not only on financial, infrastructural, and natural resources but also on the quality of social relations that determine the ability of residents to cooperate, participate in local governance, and collectively address common challenges. This issue is particularly important for mountainous areas of Zakarpattia, a multi-ethnic region characterized by geographical remoteness, settlement fragmentation, economic disparities, labor migration, and considerable cultural diversity. Under these conditions, social capital

can become an important resource for strengthening community resilience, improving local governance, stimulating civic participation, and supporting socio-economic development.

Social capital encompasses networks of relationships, interpersonal and institutional trust, shared norms, reciprocity, civic engagement, and the ability of individuals to act collectively. Its importance becomes especially visible in territories where limited material resources increase the need for cooperation and internal mobilization. For mountain territorial communities, social capital can compensate, at least partially, for peripheral disadvantages by facilitating access to information, knowledge, external networks, voluntary resources, and collective initiatives. At the same time, weak social ties, low institutional trust, civic passivity, and insufficient organizational capacity may significantly restrict the development potential of such communities.

The problem is particularly relevant in the context of decentralization and the transformation of local governance in Ukraine. The expansion of territorial communities' responsibilities has increased their opportunities for independent decision-making but has simultaneously created new demands for managerial capacity, strategic planning, public participation, and communication with residents. Mountain communities often face additional institutional and socio-economic constraints, including limited employment opportunities, insufficient social infrastructure, population decline, and migration. Consequently, strengthening social capital should be considered not as a purely social objective but as an integral component of territorial development policy.

The multi-ethnic character of Zakarpattia adds another important dimension to this issue. Cultural diversity may contribute to the accumulation of social capital by creating opportunities for interaction, exchange of experience, and development of broader social networks. However, when combined with social inequality, institutional mistrust, insufficient communication, or weak mechanisms of participation, diversity may also complicate collective action. Therefore, the development of social capital requires an inclusive approach capable of combining local identity and cultural diversity with common territorial interests.

The academic literature offers several approaches to understanding social capital. Community-based approaches emphasize the role of associations

and collective activities; network approaches focus on interpersonal and interorganizational connections; institutional approaches highlight the influence of the quality of public institutions; and synergetic approaches consider cooperation among the state, business, and civil society as a prerequisite for sustainable development. The works of James Coleman [1, p. 97], Mark Granovetter [2, p. 487], Alejandro Portes [3, p. 48], Theda Skocpol [4, p. 117], Michael Woolcock [5, p. 200], and other scholars have substantially contributed to the development of these approaches. At the same time, the practical mechanisms through which social capital can be deliberately strengthened at the level of mountain territorial communities remain insufficiently developed, particularly in the context of multi-ethnic regions.

The purpose of this study is to identify the main factors and barriers influencing social capital development in mountain territorial communities and to substantiate a strategic approach to strengthening trust, civic participation, horizontal cooperation, and local self-organization. The empirical basis of the research is formed by sociological monitoring of residents and representatives of local self-government in mountain settlements of the Zakarpattia region. The study combines systemic, comparative, sociological, and strategic approaches to examine the relationship between social capital and the socio-economic capacity of communities.

The research focuses on two interconnected questions. First, what factors determine the current level and dynamics of social capital in mountain territorial communities? Second, what strategic mechanisms can transform existing social relations and networks into a sustainable resource for local development? Addressing these questions makes it possible to move from the description of social capital to the development of practical approaches to its strengthening.

The originality of the study lies in combining the social capital perspective with strategic territorial development and adapting this approach to the conditions of mountainous and multi-ethnic communities. The research emphasizes that social capital should be regarded as a dynamic and manageable territorial resource whose development requires coordinated action by local authorities, residents, civil society organizations, educational institutions, businesses, and other stakeholders.

1. Social Capital Development in Mountain Territorial Communities: Theoretical and Empirical Dimensions

Social capital has become an important concept in the analysis of socio-economic development because it explains how relationships among individuals and groups can generate resources that are not reducible to financial or physical assets. Despite extensive academic attention, there is still no universally accepted definition of social capital. Different theoretical approaches emphasize particular dimensions of the concept, including trust, networks, reciprocity, norms, collective action, and institutional relationships. These dimensions are complementary rather than mutually exclusive and provide a basis for understanding social capital as a multidimensional resource of territorial development.

The origins of the concept can be traced to Lyda J. Hanifan [6, p. 135], who emphasized the importance of social relationships, mutual assistance, and community interaction for improving collective well-being. Later, Pierre Bourdieu [7] associated social capital with resources derived from durable networks of relationships, while James Coleman interpreted it as a productive resource that facilitates individual and collective action through obligations, expectations, information channels, and social norms. Robert Putnam subsequently emphasized civic engagement, trust, and networks of cooperation as important conditions for effective collective action and institutional performance.

The network dimension of social capital was further developed by Mark Granovetter [2, p. 509] and Alejandro Portes [3, p. 63]. From this perspective, the value of social capital depends not only on the number of social connections but also on their structure, strength, and ability to provide access to information, resources, opportunities, and support. For geographically remote mountain communities, such networks are particularly important because they can reduce the disadvantages associated with peripheral location. Local networks can facilitate mutual assistance and collective action, while external networks can connect communities with migrants, businesses, non-governmental organizations, educational institutions, and other territories.

The institutional dimension is equally important. The accumulation of social capital is influenced by the quality of formal institutions, the transparency of decision-making, the fairness of resource distribution,

and the responsiveness of public authorities. Where institutions are perceived as legitimate and accountable, interpersonal trust can be reinforced by institutional trust. Conversely, corruption, favoritism, opaque decision-making, and ineffective communication may undermine both institutional and interpersonal relationships. Thus, social capital cannot be considered exclusively a characteristic of civil society; it is also shaped by the institutional environment in which social interactions take place.

The concept of reciprocity provides another important theoretical dimension. Repeated acts of assistance, exchange of information, voluntary cooperation, and mutual support create expectations that cooperation will continue in the future. In this sense, reciprocity transforms individual interactions into a broader relational resource. The ideas associated with Karl Polanyi [9, p. 245] are relevant here because reciprocal exchange contributes to the formation of durable social relationships and collective norms. In mountain communities, where formal resources may be limited, reciprocal practices can remain an important mechanism of everyday resilience.

At the same time, social capital should not automatically be regarded as positive. Closed networks may generate exclusion, nepotism, corruption, or preferential treatment of particular groups. Such forms of social capital can strengthen internal solidarity while reducing broader social welfare. The distinction between inclusive and exclusive, or productive and destructive, forms of social capital is therefore particularly relevant for territorial governance. Strategic policies should support networks that expand participation and cooperation rather than those that concentrate resources within narrow circles.

The empirical evidence obtained in the mountain settlements of Zakarpattia demonstrates that the current level of social capital remains insufficient to fully support sustainable socio-economic development. The main weaknesses are associated with low institutional trust, limited civic participation, insufficient horizontal cooperation, weak development of public associations, and a relatively low willingness of residents to participate in local initiatives. These problems are reinforced by economic insecurity and migration, which reduce the time and resources available for participation in community life.

One of the most significant findings concerns the relationship between economic well-being and social participation. Residents of economically depressed communities tend to prioritize individual survival strategies over collective activities. Where households face unstable employment, low incomes, seasonal work, or the need to seek employment outside the community, participation in local initiatives becomes less attractive. Economic insecurity therefore represents not only a material problem but also a factor that limits the accumulation of social capital.

The relationship between poverty and social capital is particularly important for mountain territories. Residents who combine several jobs or depend on labor migration often spend less time within their communities. This weakens everyday interaction and reduces opportunities for developing stable networks of cooperation. Migration may provide households with additional income and create external connections, but it does not automatically strengthen local social capital. Its effect depends on whether financial resources, knowledge, skills, and social connections generated through migration are reinvested in the community.

External networks nevertheless represent a potentially valuable resource. Communities whose residents maintain relationships with people working abroad, former residents living in larger cities, regional organizations, businesses, or other institutions can obtain access to information, investment opportunities, professional knowledge, and new development practices. Such bridging connections are particularly important for remote mountain settlements because they can reduce isolation and expand the range of available resources. However, external networks are most beneficial when they complement local cohesion rather than substitute for it.

Trust emerged as one of the central mechanisms underlying social capital development. The monitoring demonstrated that residents' willingness to participate in collective activities is strongly influenced by their perception of the fairness, transparency, and responsiveness of local authorities. Where administrative decisions are perceived as transparent and opportunities are distributed fairly, residents demonstrate greater willingness to cooperate. Conversely, perceptions of corruption, favoritism, or preferential treatment significantly reduce institutional confidence.

A particularly important indicator of this problem is that 44.9% of respondents reported reluctance to support various initiatives proposed by

local authorities. This result indicates a substantial deficit of institutional trust and demonstrates that formal decentralization does not automatically produce active citizen participation. The transfer of powers to territorial communities must be accompanied by mechanisms that enable residents to influence decisions, monitor implementation, and observe tangible results.

Communication between local authorities and residents is therefore a fundamental component of social capital. In many communities, decisions are formally made according to established procedures but residents are informed only after the decisions have already been taken. Such one-directional communication weakens citizens' sense of ownership and reinforces passivity. In contrast, regular public meetings, consultations, open reporting, digital communication, and accessible feedback mechanisms contribute to greater transparency and strengthen institutional legitimacy.

The empirical evidence also reveals significant differences between communities depending on the intensity of interpersonal interaction. Where residents communicate regularly with neighbors, participate in local events, volunteer, or cooperate to address common problems, perceptions of future development tend to be more positive. Such communities demonstrate stronger mutual assistance and a greater sense of shared responsibility. By contrast, fragmented communication and weak interpersonal ties are associated with dissatisfaction with local governance, pessimism about economic opportunities, and lower confidence in collective problem-solving capacity.

Local identity represents another important component of social capital in mountainous areas. Residents who express pride in their settlement, cultural traditions, natural environment, or historical heritage are more likely to support tourism initiatives, environmental projects, and community improvement activities. Emotional attachment to place creates a connection between individual interests and collective reputation. Consequently, local identity can serve as a motivational mechanism for participation and should be considered in community development strategies.

The multi-ethnic character of Zakarpattia makes the issue of local identity particularly complex. Social capital development should not be based on the exclusion of cultural differences but on the creation of shared interests and inclusive forms of territorial identity. Cultural diversity can become a development asset when different groups participate equally in

community life and perceive local institutions as fair and accessible. In this context, common projects, cultural initiatives, educational activities, and community events can create spaces for regular interaction and strengthen bridging forms of social capital.

Social infrastructure also plays an important role. Communities with active schools, cultural centers, libraries, public spaces, and other institutions that provide opportunities for interaction tend to demonstrate stronger patterns of cooperation. These institutions function not only as providers of particular services but also as social meeting points where residents exchange information, develop relationships, and reinforce a sense of belonging. Their preservation and modernization therefore have implications that extend beyond the provision of basic services.

Volunteerism and collective action constitute another important mechanism for strengthening social capital. Participation in community projects, environmental initiatives, charitable activities, and mutual-aid practices creates repeated opportunities for cooperation. Such activities can gradually establish new norms of reciprocity and collective responsibility. Importantly, visible results of joint action strengthen the belief that cooperation is capable of producing tangible benefits.

The monitoring demonstrated that residents respond more positively to practical results than to formal strategic declarations. Communities where authorities implemented visible improvements, even relatively small ones, tended to demonstrate greater confidence in local institutions. Road repairs, improved lighting, public spaces, playgrounds, water infrastructure, and other tangible results provide evidence that collective action can generate real benefits. Conversely, repeated promises without implementation reinforce cynicism and reduce willingness to participate.

The distribution of participation within communities is another important issue. In many settlements, a relatively small group of active residents carries the main responsibility for public initiatives. These individuals represent valuable local leaders and change agents, but excessive dependence on a narrow group creates risks of burnout and stagnation. Sustainable social capital requires the gradual expansion of participation and the creation of conditions under which less active residents can become involved.

Generational differences further complicate this process. Younger residents generally demonstrate greater openness to digital communication,

entrepreneurship, new forms of civic engagement, and project-based cooperation. At the same time, they are also more likely to express migration intentions, particularly where local labor markets and educational opportunities are limited. This creates a strategic paradox: the population group with considerable potential for innovation and modernization is simultaneously one of the most likely to leave the territory. Consequently, youth retention should be regarded as an important component of long-term social capital development.

Women represent another important but sometimes underestimated resource for community mobilization. Their participation in education, family networks, volunteering, charitable initiatives, and informal care structures contributes to maintaining social cohesion. Strengthening opportunities for women's participation in local decision-making and community leadership can therefore broaden the social base of territorial development.

Environmental cooperation can also serve as an entry point for strengthening social capital. Mountain communities are closely dependent on forests, water resources, landscapes, and environmental quality. Problems such as illegal logging, waste management, and neglect of common spaces are often perceived not only as environmental issues but also as indicators of insufficient collective responsibility. Conversely, participation in environmental campaigns, clean-up activities, conservation projects, and eco-tourism can create practical situations in which residents cooperate around shared interests.

The findings additionally indicate that self-organization in mountain communities often develops in response to immediate problems rather than as a stable institutional practice. Residents may mobilize when faced with infrastructure deficiencies, declining public services, or other urgent challenges, but cooperation may decline after the immediate problem has been resolved. This reactive form of mobilization differs from sustainable social capital, which requires permanent structures, repeated interaction, and institutionalized mechanisms of participation.

An important aspect of the analysis is the role of civic associations. Membership in community groups, professional networks, cultural organizations, volunteer associations, cooperatives, and issue-based initiatives can broaden opportunities for interaction and collective action.

However, the shortage of such organizations remains a significant constraint in many mountain settlements. Expanding civil society institutions would provide residents with additional channels for participation beyond electoral processes and formal interaction with local authorities.

The findings also reveal that social capital can contribute to crisis resilience. Communities with established practices of information exchange, mutual assistance, and collective decision-making are better positioned to respond to economic instability, demographic pressures, and other external shocks. In this sense, social capital is not merely a resource for long-term development; it also functions as a mechanism of adaptation and territorial resilience.

Overall, the empirical evidence confirms that the development potential of mountain territorial communities depends on the interaction of economic, institutional, demographic, cultural, and social factors. Social capital cannot be strengthened through isolated measures directed exclusively at civic participation. Its development requires simultaneous attention to economic well-being, transparent governance, communication, local identity, social infrastructure, youth retention, civil society, and opportunities for collective action.

This perspective makes it possible to conceptualize social capital as a strategic territorial resource. Its value lies not simply in the existence of interpersonal relationships but in the capacity to transform these relationships into collective action and, ultimately, into concrete social and economic outcomes. Such transformation requires a strategic approach capable of connecting existing social resources with clearly defined development priorities. This provides the basis for moving from the diagnosis of social capital toward the development of practical strategic mechanisms for its strengthening in mountain territorial communities.

2. A Strategic Approach to Social Capital Development in Mountain Territorial Communities

The empirical findings indicate that social capital in mountain territorial communities cannot be strengthened solely through spontaneous interpersonal interactions or isolated civic initiatives. Its sustainable development requires a systematic approach that combines institutional, economic, social, cultural, and organizational measures. Such an approach

should recognize social capital as a strategic territorial resource and establish mechanisms through which trust, networks, reciprocity, civic participation, and collective responsibility can contribute to measurable improvements in community development.

The strategic approach proposed in this study is based on the assumption that social capital is a dynamic resource that can accumulate, decline, and transform depending on the institutional and socio-economic environment. Consequently, local authorities should move beyond the traditional perception of social capital as an informal characteristic of communities and incorporate its development into local strategic planning. This requires identifying existing social resources, assessing their strengths and weaknesses, establishing measurable objectives, selecting appropriate instruments, and regularly monitoring progress.

A key principle of the proposed approach is evidence-based strategic planning. Decisions concerning social capital development should be grounded in empirical information about trust, civic participation, communication patterns, social networks, institutional performance, and residents' perceptions of community development. Sociological monitoring should therefore become not a one-time research activity but a regular component of local strategic management. Periodic assessment would allow communities to identify changes in levels of trust, participation, satisfaction with local institutions, and willingness to cooperate, thereby providing a basis for adjusting strategic priorities.

The second principle is socio-economic realism. Strategic objectives must correspond to the actual financial, human, institutional, and demographic capacities of individual communities. Mountain settlements differ substantially in population size, accessibility, economic specialization, infrastructure, demographic structure, and availability of social institutions. Consequently, standardized strategies copied from larger or economically stronger territories may have limited effectiveness. Strategic planning should instead begin with the specific resources and constraints of each community.

The third principle is anticipatory development. Mountain territorial communities should not limit their strategies to solving existing problems but should also anticipate future changes in demographics, employment, migration, digitalization, tourism, environmental conditions, and public

service provision. This is particularly important because demographic decline and labor migration can gradually reduce the human resources necessary for maintaining local social networks. Anticipatory planning should therefore identify emerging opportunities and risks and prepare communities for alternative development trajectories.

The fourth principle is strategic alternatives. The uncertain economic and demographic environment requires communities to avoid dependence on a single development scenario. Alternative trajectories may include an inertial scenario, characterized by gradual continuation of existing trends; a compensatory scenario, focused on reducing the most significant socio-economic and institutional deficits; and a proactive scenario, aimed at creating new competitive advantages through innovation, entrepreneurship, tourism, environmental initiatives, and strengthened civic participation. The availability of several scenarios increases the flexibility of local management and allows communities to respond more effectively to changing external conditions.

The fifth principle is expert evaluation and scientific justification. The development of social capital strategies should involve researchers, practitioners, representatives of civil society, businesses, local leaders, and other relevant stakeholders. Expert participation can help communities identify hidden constraints, evaluate alternative solutions, establish appropriate indicators, and avoid unrealistic objectives. At the same time, external expertise should complement rather than replace local participation. Strategic decisions remain more legitimate when residents are directly involved in identifying priorities and evaluating proposed interventions.

An important element of the strategic approach is the hierarchical structure of goals. Social capital development should be considered at several interconnected levels, ranging from individual and family relationships to community, regional, and national institutions. At the local level, strategic goals should be translated into measurable intermediate objectives. These may include increasing participation in public meetings, expanding the number of active civic associations, improving the accessibility of local information, increasing participation in volunteer initiatives, strengthening satisfaction with local institutions, and improving residents' perceptions of fairness and transparency.

The use of measurable intermediate indicators is particularly important because social capital cannot be created immediately. Trust, reciprocity, and cooperation develop gradually through repeated interactions and accumulated experience. Therefore, strategic planning should distinguish between long-term outcomes and short- and medium-term milestones. For example, a community may initially focus on establishing regular public consultations and transparent reporting, then introduce participatory budgeting, and subsequently develop larger community-based projects. Each successful stage creates practical evidence that collective action can produce tangible benefits.

The strategic approach should also incorporate mechanisms for converting social capital into territorial development outcomes. Social networks and trust become particularly valuable when they facilitate employment, entrepreneurship, investment, tourism, innovation, improved public services, or environmental management. Therefore, the objective is not merely to increase the number of social interactions but to create institutional conditions under which cooperation generates visible economic and social effects.

One of the most effective mechanisms for such conversion is the development of community-driven projects. Projects related to public spaces, local infrastructure, cultural heritage, tourism, environmental protection, social services, and local entrepreneurship can bring residents together around clearly defined common interests. Their implementation creates repeated opportunities for communication and cooperation while simultaneously producing tangible improvements in the community. This dual effect makes community projects an important instrument of both social capital accumulation and territorial development.

Participatory budgeting and public initiative funds represent another important mechanism. Allowing residents to propose and select projects financed from a designated part of the local budget creates direct experience of participation in decision-making. It also improves transparency because residents can observe how priorities are identified, resources are allocated, and projects are implemented. The process can gradually strengthen institutional trust and encourage citizens who previously remained passive to become involved in community affairs.

The effectiveness of participatory instruments depends, however, on the transparency of their procedures. Residents must have access to understandable information concerning available resources, project selection criteria, voting procedures, implementation schedules, and final expenditures. Without transparency, participatory mechanisms may reproduce existing inequalities or become dominated by a small group of active participants. Therefore, participatory budgeting should be combined with broad information campaigns and accessible communication channels.

Communication management should constitute a separate strategic direction. In remote mountain settlements, information asymmetry can significantly limit participation. Local authorities should therefore establish regular communication through public meetings, consultations, digital platforms, social media, local media, community newsletters, and open reporting. Importantly, communication should be multidirectional: authorities should not only inform residents about decisions but also collect feedback and demonstrate how residents' proposals have influenced subsequent actions.

Institutional responsiveness is particularly important for building trust. When residents submit requests or identify local problems, authorities should provide timely responses and communicate the results of their consideration. Even when a proposed solution cannot be implemented immediately, transparent explanation of the reasons can prevent frustration and strengthen perceptions of fairness. Responsiveness thus becomes an important mechanism for transforming formal institutional relations into genuine institutional trust.

Another strategic priority is strengthening civil society institutions. Local associations, volunteer groups, professional organizations, cultural initiatives, youth organizations, cooperatives, and issue-based networks create additional channels through which residents can interact and influence community development. Such organizations are particularly valuable because they distribute leadership and prevent excessive dependence on a small number of local activists.

The development of civil society should be supported through small grants, organizational training, access to information, networking opportunities, and cooperation with regional and national organizations. Mountain communities often lack sufficient organizational capacity,

meaning that relatively modest institutional support can have significant effects. In addition, partnerships between local authorities and civil society organizations can improve the implementation of social, cultural, environmental, and economic projects.

Youth retention and engagement should also become an explicit component of the strategy. Young residents possess significant potential for entrepreneurship, digital innovation, project development, and new forms of civic participation. However, weak labor markets and limited educational opportunities encourage migration. Therefore, strengthening social capital requires creating conditions that make participation and professional development possible within the community. Support for youth entrepreneurship, digital employment, creative industries, local tourism, educational initiatives, and start-up projects can simultaneously reduce migration pressure and expand the pool of community actors.

The strategic importance of employment and economic well-being should not be underestimated. The research confirms that residents experiencing persistent economic insecurity have fewer resources for civic participation. Consequently, policies aimed at strengthening social capital should be integrated with measures supporting local employment, entrepreneurship, small businesses, investment attraction, and diversification of the local economy. Economic development and social capital should be viewed as mutually reinforcing processes rather than separate policy areas.

Tourism represents a particularly relevant field for such integration in mountain communities. Local landscapes, cultural heritage, traditions, crafts, gastronomy, and natural resources can provide a basis for tourism-related cooperation. Community-based tourism initiatives can unite local entrepreneurs, households, cultural institutions, environmental organizations, and local authorities around common economic interests. At the same time, tourism development can strengthen local identity and encourage residents to perceive cultural and environmental resources as collective assets.

Environmental initiatives can provide another practical platform for social capital development. Joint activities related to waste management, forest protection, water resources, landscape preservation, ecological tourism, and public-space improvement require collective responsibility and produce visible outcomes. Such initiatives can be particularly effective

in communities where trust is initially low because cooperation around concrete environmental problems can provide an accessible entry point for broader civic engagement.

The preservation and modernization of local social infrastructure should likewise be incorporated into strategic planning. Schools, cultural centers, libraries, public spaces, sports facilities, and other community institutions provide physical environments for social interaction. Their role extends beyond service provision because they facilitate meetings, informal communication, cultural exchange, and the development of local networks. Investment in such infrastructure should therefore be considered part of social capital policy.

The multi-ethnic character of mountain communities requires a specific emphasis on inclusive participation and intercultural cooperation. Strategic interventions should ensure that representatives of different ethnic and cultural groups have equal opportunities to participate in decision-making and community initiatives. Common territorial projects can provide a practical basis for cooperation by focusing on shared interests rather than differences. Cultural festivals, educational programs, local heritage projects, youth activities, and community development initiatives can strengthen bridging ties between groups and contribute to a common sense of territorial belonging.

At the same time, local identity should not be interpreted as cultural uniformity. A resilient multi-ethnic community can combine strong attachment to local traditions with openness to cultural diversity. The strategic objective is therefore to develop an inclusive territorial identity in which cultural differences are perceived as an asset rather than an obstacle to cooperation. This approach is particularly important for mountain communities where cultural heritage and local traditions can become important economic and social development resources.

An additional strategic dimension concerns external networks and partnerships. Mountain communities should strengthen connections with regional authorities, universities, research institutions, non-governmental organizations, businesses, neighboring communities, and international partners. Such relationships can provide access to knowledge, funding, technology, training, investment, and successful development practices.

External cooperation is especially important for small communities whose internal resources are limited.

Academic institutions can play a more active role in this process. Their contribution should include regular measurement of social capital, development of assessment indicators, methodological support for local strategies, training of local officials, and evaluation of community projects. Cooperation between researchers and territorial communities can also facilitate the transfer of international experience and adaptation of successful practices to local conditions.

A critical condition for the strategic development of social capital is the prevention of destructive or exclusive networks. Informal relationships based on nepotism, corruption, favoritism, or closed access to resources may generate strong internal trust within particular groups while undermining trust at the community level. Strategic governance should therefore strengthen transparency, equal access, accountability, conflict-of-interest prevention, and public monitoring. The aim is to ensure that social networks contribute to inclusive rather than extractive forms of collective action.

The implementation of the proposed strategic approach should be phased. The first stage should involve a diagnostic assessment of the existing level of social capital, including trust, participation, networks, civic organizations, communication practices, and institutional responsiveness. The second stage should focus on priority setting and strategic goal formulation based on identified needs and available resources. The third stage should involve implementation of pilot projects designed to produce visible short-term results and build confidence in collective action. The fourth stage should provide for monitoring and evaluation, including regular assessment of indicators and adjustment of strategic measures.

Such phased implementation is consistent with project management principles. Each intervention should have clearly defined objectives, responsible actors, resources, implementation periods, expected results, and indicators. This makes strategic processes more transparent and allows communities to identify which measures generate the greatest social and economic effects. Small successful projects can subsequently be scaled up and integrated into broader development programs.

The strategic model should therefore combine several interconnected components: diagnosis, strategic principles, goals and indicators,

participation mechanisms, implementation technologies, conversion mechanisms, and monitoring. Their interaction can be represented as a continuous development cycle. Existing social resources are first assessed; identified weaknesses and opportunities determine strategic priorities; selected instruments activate cooperation; successful cooperation generates tangible territorial outcomes; and these outcomes reinforce trust and stimulate further participation.

The expected effect of such a model is cumulative. Increased transparency can strengthen institutional trust; greater trust can encourage participation; participation can expand social networks; stronger networks can facilitate joint projects; successful projects can improve economic and social conditions; and visible improvements can further reinforce trust. Thus, social capital development should be viewed as a self-reinforcing process in which institutional and community-level interventions interact.

The proposed approach also supports a broader understanding of territorial resilience. Mountain communities face multiple risks, including demographic decline, migration, limited accessibility, economic vulnerability, environmental pressures, and institutional capacity constraints. Stronger social capital can improve their ability to mobilize local resources, coordinate responses, exchange information, support vulnerable residents, and maintain collective action during periods of uncertainty.

The findings therefore suggest that the strategic development of social capital should become an integral element of local development strategies rather than a separate social policy measure. Local authorities should establish measurable social capital objectives, allocate resources for participatory and community initiatives, support civil society organizations, strengthen communication, and create mechanisms for regular monitoring. At the same time, residents, businesses, educational institutions, and civil society organizations should be treated as active co-producers of territorial development rather than passive beneficiaries of public policy.

The strategic approach proposed in this study ultimately shifts the focus from the spontaneous existence of social relationships toward their conscious strengthening and productive use. The objective is not to regulate social relations artificially but to create institutional and socio-economic conditions in which trust, reciprocity, participation, and cooperation can develop naturally and contribute to common territorial goals. For mountain

territorial communities of a multi-ethnic region, such an approach offers a basis for combining social cohesion with economic modernization, cultural diversity with inclusive territorial identity, and local initiative with effective governance.

Consequently, social capital should be incorporated into the strategic architecture of mountain territorial development. Its accumulation requires long-term commitment, but its effects extend beyond the social sphere. Stronger social capital can increase institutional legitimacy, improve the quality of local governance, facilitate collective investment, support entrepreneurship and tourism, strengthen environmental responsibility, and enhance the resilience of communities to demographic and economic shocks. The strategic challenge is therefore to establish an institutional environment in which these effects can emerge and reinforce one another over time.

CONCLUSIONS

The study demonstrates that social capital is an important strategic resource for the sustainable development of mountain territorial communities in a multi-ethnic region. The empirical analysis of mountain settlements in the Zakarpattia region confirms that the capacity of communities to respond to socio-economic challenges depends not only on their financial, natural, and infrastructural resources but also on the quality of interpersonal and institutional relationships, the level of trust, civic participation, reciprocity, and the ability of residents to cooperate around common interests.

The findings indicate that the development of social capital in mountain territorial communities remains constrained by a combination of institutional and socio-economic factors. The most significant barriers include low trust in local authorities, insufficient transparency of decision-making, weak civic participation, limited development of public associations, economic insecurity, labor migration, and insufficient communication between authorities and residents. These factors reinforce one another and may create a self-perpetuating cycle in which low trust reduces participation, weak participation limits collective action, and the absence of visible collective results further undermines trust.

At the same time, the study identifies significant opportunities for strengthening social capital. Local identity, interpersonal reciprocity,

volunteerism, community initiatives, social infrastructure, environmental cooperation, external networks, and participatory mechanisms can provide a basis for expanding horizontal interactions and collective responsibility. Particularly important are mechanisms that produce visible and tangible results. Successful community projects, transparent decision-making, participatory budgeting, and responsive local governance can demonstrate the practical value of cooperation and gradually strengthen institutional and interpersonal trust.

The research substantiates the need to move from a predominantly spontaneous model of social capital formation toward a strategic approach to its development. Such an approach should be based on evidence-based planning, socio-economic realism, anticipatory development, strategic alternatives, expert evaluation, inclusive participation, and coordination between different levels of governance. Social capital objectives should be incorporated into local development strategies and supported by measurable indicators that allow communities to monitor changes in trust, participation, communication, civic activity, and institutional responsiveness.

A particularly important conclusion concerns the relationship between social and economic development. The study confirms that social capital cannot be considered independently of material well-being. Poverty, unstable employment, and migration reduce residents' capacity and motivation to participate in community life, while successful collective initiatives can contribute to employment, entrepreneurship, tourism, investment, and improved public services. Therefore, economic modernization and social capital development should be treated as mutually reinforcing components of territorial development policy.

For multi-ethnic mountain communities, the strategic approach should additionally emphasize inclusive participation and the development of shared territorial identity. Cultural diversity can become a source of social and economic potential when different groups have equal opportunities to participate in community life and cooperate around common territorial interests. Supporting cultural, educational, environmental, and community-based initiatives can strengthen bridging social capital and contribute to greater territorial cohesion.

The practical significance of the study lies in the possibility of applying the proposed strategic principles and mechanisms by local authorities, civil

society organizations, businesses, educational institutions, and community leaders. Priority should be given to participatory budgeting, community-driven projects, transparent communication, support for civic associations, youth engagement, local entrepreneurship, environmental initiatives, and systematic monitoring of social capital indicators. The implementation of these measures should be phased, beginning with diagnostics and priority setting and continuing through pilot projects, evaluation, and adaptation.

The scientific contribution of the research consists in integrating the social capital perspective with strategic territorial development and adapting it to the specific conditions of mountainous and multi-ethnic communities. The proposed approach expands the understanding of social capital from an intangible characteristic of social relations to a dynamic territorial resource that can be strengthened through purposeful institutional, economic, and participatory interventions.

Further research should focus on developing quantitative indicators for measuring social capital at the level of individual territorial communities, assessing differences between communities, and evaluating the long-term effects of specific participatory and institutional interventions. Particular attention should also be given to the influence of migration, demographic change, digitalization, and cross-border cooperation on the transformation of social networks in mountain regions.

Overall, sustainable development of mountain territorial communities requires an integrated approach in which economic modernization is accompanied by systematic strengthening of trust, cooperation, civic participation, and institutional capacity. Social capital should therefore be positioned as a core component of territorial development strategies and as one of the key resources for enhancing the resilience, inclusiveness, and long-term competitiveness of multi-ethnic mountain communities.

References:

1. Coleman, J. S. (1988). Social capital in the creation of human capital. *American Journal of Sociology, 94*, S95–S120. DOI: https://doi.org/10.1086/228943

2. Granovetter, M. (1985). Economic action and social structure: The problem of embeddedness. *American Journal of Sociology, 91*(3), 481–510. DOI: https://doi.org/10.1086/228311

3. Portes, A. (2000). Social capital: Its origins and applications in modern sociology. In E. L. Lesser (Ed.), *Knowledge and social capital: Foundations and applications* (pp. 43–67). Butterworth-Heinemann.

4. Skocpol, T. (2008). Bringing the state back in: Retrospect and prospect. *Scandinavian Political Studies, 31*(2), 109–124. DOI: https://doi.org/10.1111/j.1467-9477.2008.00204.x

5. Skocpol, T., Ganz, M., & Munson, Z. (2000). A nation of organizers: The institutional origins of civic voluntarism in the United States. *American Political Science Review, 94*(3), 527–546. DOI: https://doi.org/10.2307/2585829

6. Woolcock, M. (1998). Social capital and economic development: Toward a theoretical synthesis and policy framework. *Theory and Society, 27*(2), 151–208. DOI: https://doi.org/10.1023/A:1006884930135

7. Hanifan, L. J. (1916). The rural school community center. *The Annals of the American Academy of Political and Social Science, 67*(1), 130–138. DOI: https://doi.org/10.1177/000271621606700118

8. Bourdieu, P. (1986). The forms of capital. In J. G. Richardson (Ed.), *Handbook of theory and research for the sociology of education* (pp. 241–258). Greenwood Press.

9. Polanyi, K. (1957). The economy as instituted process. In K. Polanyi, C. M. Arensberg, & H. W. Pearson (Eds.), *Trade and market in the early empires: Economies in history and theory* (pp. 243–270). Free Press.