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THE ROLE OF SOCIAL CAPITAL IN STRENGTHENING LOCAL GOVERNMENTS ENTERING THE ERA OF THE INDUSTRIAL REVOLUTION 4.0

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Abstract

The purpose of this study is to analyze the role of social capital in strengthening local governments entering the era of the industrial revolution 4.0. in Indonesia the major changes in the impact of the entry of advanced technology of the industrial revolution 4.0 which so quickly caused stuttering and insecurity of local governments in dealing with it. Limited human resource capacity, availability of network infrastructure, and readiness in the adoption of advanced technology are still "homework" that must be completed immediately by most local governments in Indonesia. It is feared that the progress and openness offered by advanced technology in the industrial revolution 4.0 can actually disrupt local governments themselves and further have an impact on the inoptimality of local governments in organizing government, development, community empowerment, and public services. Therefore, local governments are required to optimize the existing local potential in order to jointly be able to complete the "homework" properly and wisely. One of the potentials and local wisdom that exists and is inherent in the region is social capital. This research methodology applies a descriptive qualitative approach (*qualitative descriptive research*). Researchers seek to describe, analyze attitudes, perceptions, and thoughts about the role of social capital in strengthening local governments entering the era of the industrial revolution 4.0 in the regions by conducting *literature* studies. The conclusions in this study show that social capital has not been able to fully strengthen local governments in entering the era of the industrial revolution 4.0. The role of social trust capital and social interaction has not been able to provide positive reinforcement for local governments in entering the era of the industrial revolution 4.0. Meanwhile, *reciprocal* social capital and *norms* can provide

positive strengthening of local governments entering the era of the industrial revolution 4.0. The implications of this study show that local governments in Indonesia need a longer time and greater costs in preparing themselves to enter the era of the industrial revolution 4.0

Keywords

Social capital, industrial revolution 4.0, local government

1. Introduction

Globalization has entered a new era called the Industrial Revolution 4.0. Shwab (2016) through *The Fourth Industrial Revolution* states that the world has experienced four stages of revolution, namely: 1) The Industrial Revolution 1.0 occurred in the 18th century through the invention of the steam engine, thus allowing goods to be mass-produced, 2) The Industrial Revolution 2.0 occurred in the 19th-20th century through the use of electricity which made production costs cheap, 3) The Industrial Revolution 3.0 occurred around the 1970s through the use of computerization, and 4) the Industrial Revolution 4.0 itself occurred around the 2010s through the engineering of the intelligentsia and the internet of things as the backbone of human and machine movement and connectivity.

The Industrial Revolution 4.0 has fundamentally resulted in a change in the way humans think, live, and relate to each other (Prasetyo & Trisyanti, 2018). This era will disrupt various human activities in various fields, not only in the field of technology, but also in other fields such as economic, social, and political.

The industrial revolution 4.0 puts technology as a basis for community activities (Fonna, 2019). Allprocesses in this era are carried out with an automation system in all activation processes, where the development of internet technology is increasingly developing not only connecting humans throughout the world but also becoming a basis for the transaction process of government administration and economic trade.

The industrial revolution is a fundamental change in the way of life and human work processes, where with the advancement of information technology can integrate in the world of life with digital which can have an impact on all disciplines (Hamdan, 2018). With the development of information technology that is developing rapidly, it has experienced breakthroughs including in the field of *artificial intelligence* and/or *the internet of things* where computer technology is a discipline that adopts one's expertise into a technology-based application and gives birth to information technology and production processes that are controlled automatically (Bilecen, 2020).

When the world enters the 21st century, then the state of the world becomes changed. People call that the 21st century is the century of openness or the century of globalization. Because in this century the citizens of the world community are increasingly easy to interact, blend and integrate in one system of the order of life of the wider community. Because of the ease of interaction and communication

between citizens of the world community, then various things related to human life become mutually affecting each other. Call it the model of educational services, health care, public services, business, even to work and so on all influence each other (Bocheńska & Fatah-Black, 2021; Çelik, 2021).

In short, human civilization at this time has experienced progress and modernity in various sectors, so that in itself it demands the quality of human resources that are also superior and reliable. The various demands of the sophisticated and new civilization, at the same time, also demand various advances in thinking and breakthroughs in drafting concepts and taking relevant policies. This is in line with the perspective of the philosopher Khun who said that when a number of new challenges are faced using the old paradigm, then all forms of effort will not be successful. To be able to compete in the midst of a very open global life battle, all forms of new challenges must be answered with *breakthroughs* in genuine and *out of the box* thinking (Tilaar, 1998: 245).

Such a rapid development of technology has caused stuttering of the government and the community, especially those in the regions in dealing with it. Limited human resource capacity, availability of network infrastructure, and readiness to adopt advanced technology are still challenges in most local governments in Indonesia. The various advances and openness offered by advanced technology in the industrial revolution 4.0 have caused new uncertainties for regional governments and their communities. This insecurity is reasonable because the presence of advanced technology is feared to be able to disrupt the local government itself and further have an impact on the inoptimality of local governments in organizing government, development, community empowerment, and public services.

The stuttering and indignity of local governments entering the era of the industrial revolution 4.0 is a "homework" that must be overcome by the local government itself because the presence of the industrial revolution 4.0 is a necessity. Therefore, local governments are required to optimize the existing local potential in order to jointly be able to complete the "homework" properly and wisely.

One of the potentials and local wisdom that exists and is inherent in the region is social capital. According to Portes (in Adler & Kwon, 2002), Social capital is a broad conception with various definitions that are interrelated with each other. This conception is based on the value of social networks as well as social groups formed. Social capital juga can be interpreted as part of a system of social organizations that have their own levels of n-levels such as: beliefs and religions, customary norms and laws imposed by mutual agreement to a system of social network structures that institutionalize by mutual agreement that can improve the efficiency of society by organizing and facilitating coordinated actions. Meanwhile, according to Putnam (2000) Social capital is defined into 2 opposing conceptions that can mean paradox (opposite): 1) Social capital is defined as a capability that arises from beliefs that are generally formed in an unwritten form in a society or

certain parts of that society, which are enforced in a descending manner. 2) The concept of social capital is also interpreted as a series of values or norms both formal and informal that are owned and mutually agreed upon among the members of a group that allow for the establishment of cooperation.

Can social capital that grows rooted in the community in the regions play a role in completing "homework" to reduce the stuttering and inequality of local governments entering the era of the industrial revolution 4.0? This question is a *problem statement* that will beanalyzed in this study. Thus, the purpose of this study is to analyze the role of social capital in strengthening local governments into the era of the industrial revolution 4.0. This research is important to be able to find out whether the social capital that grows rooted in every region in Indonesia can play a role in strengthening local governments entering the era of the industrial revolution 4.0.

II. LITERATURE REVIEW

A. Industrial Revolution 4.0

Lately, the term industrial revolution has been heard in our ears in various social spaces, be it formal or informal spaces. Serious talks on the theme of the industrial revolution in various seminars, public *discussions, talk shows,* and lecture classrooms seemed to be *tranding topics* and fresh issues that were exciting to discuss. In fact, this issue has also become an interesting small talk for ordinary people in coffee shops every morning.

The term 'revolution' can be interpreted as a change that occurs radically and its arrival is unexpected (Hidayaturrahmah, 2017). The industrial revolution is actually a massive change in the process of life and the way humans manage and process resources and produce goods (Hamdan, 2018). The phenomenon of the industrial revolution actually began to roll out between 1750-1850. At that time, various sectors such as technology, manufacturing, transportation, agriculture, and mining underwent major changes that had implications for conditions in the world in the fields of industry, economy, social, culture, and so on.

The Industrial Revolution for the first time called the industrial revolution 1.0 began to roll in the 18th century marked by the invention of the steam engine (Mumtaha & Khoiri, 2019). This steam engine was then used to produce goods, so that the world of work that originally empowered human labor and hewan switched to utilizing machine power. At that time it began to be seen clearly that by using machine power, the production activities of goods became faster and increased (Satya, 2018). In addition, when international transportation still rested on sea transportation that depended on wind power, steam engines were then also applied in the transportation sector. By using steam engines, international transportation has become much more effective and efficient. At a later stage, the industrial revolution 2.0 found its momentum at the beginning of the 20th century marked by the invention of electric power. The muscle power that had previously been

replaced by the power of the steam engine, gradually began to be replaced by electric power. At this time cars began to be created to further facilitate people's mobility (Shwab, 2016).

During the second industrial revolution, world civilization already involved machines in various activities. But at that time human labor still played a fairly important role in every process of production of goods. Only then at a later stage, when the industrial revolution 3.0 began to find its momentum in the 1970s, that human labor slowly began not to play a central role anymore. At the same time, slowly but surely, the industrial century began to shift to the information century. This third industrial revolution was marked by the creation of computers and robots, namely machine systems that can move and can think automatically. Approximately around the 2010s, the world community said that the world has entered the era of the industrial revolution 4.0 where this era is characterized by *cyber* physical and manufacturing collaboration (Pranoga, Rahmah, Primasti, & Indah, 2018). The term industry 4.0 actually arose from a German government project that promoted the computerization of manufacturing.

In more detail, Lee, Lapira, Bagheri, and Kao (2013) explained that the industrial revolution 4.0 marked by the increasing digitization of manufacturing was at least influenced by four factors that drove it: a) data volume, connectivity, and computing power that experienced an increase, ; b) improved business capabilities, analysis, and intelligence; c) the emergence of new models of interaction that occur between humans and machines; and d) improvements to digital transfer instructions to the physical world, such as robotics and 3D *printing*. Meanwhile, Lifter and Tschiener added that the basic principle of the industrial revolution 4.0 is the integration of machines, workflows, and systems, by implementing intelligent networks along the chain and production processes to control one another independently (Maryanti & Apriana, 2019).

1. Challenges and Opportunities of Industry 4.0

The rapid development of information technology is currently happening in all fields, new technologies and approaches that combine real, digital and fundamentally (Tjandrawinata, 2016). Some of the challenges faced in the industrial era 4.0 are information technology security issues, reliability of production machinery stability, lack of adequate skills, inability to change by stakeholders, and the loss of many jobs due to turning into automation. With the loss of many jobs because it turned into otomotization, so that unemployment became an imminent threat, where the unemployment rate in February 2018 was 5.33% or 7.01 million people out of a total of 131.55 million people in the labor force (Central Statistics Agency, 2018).

2. Principles of Industrial Design 4.0

Some of the principles of industrial design 4.0 are as follows, *Pertama*, interconnection, namely the ability of machines, sensor devices and people to connect and communicate with each other through the *internet of things (IoT),* this principle

requires security collaboration and standards. *Second*, information transparency is the ability of information systems to create virtual copies of the physical world by enriching digital models with sensory data including data and information provision. *Third*, technical assistance which includes the ability of the assistance system to support humans by consciously combining and evaluating information to make informed decisions and solve urgent problems in a short period of time. *Fourth*, decentralized decisions which are the ability of virtual physical systems to make their own decisions and carry out tasks as effectively as possible. In simple terms, the principle of industry 4.0 according to Hermann, Pentek, & Otto, (2016) can be described as follows.

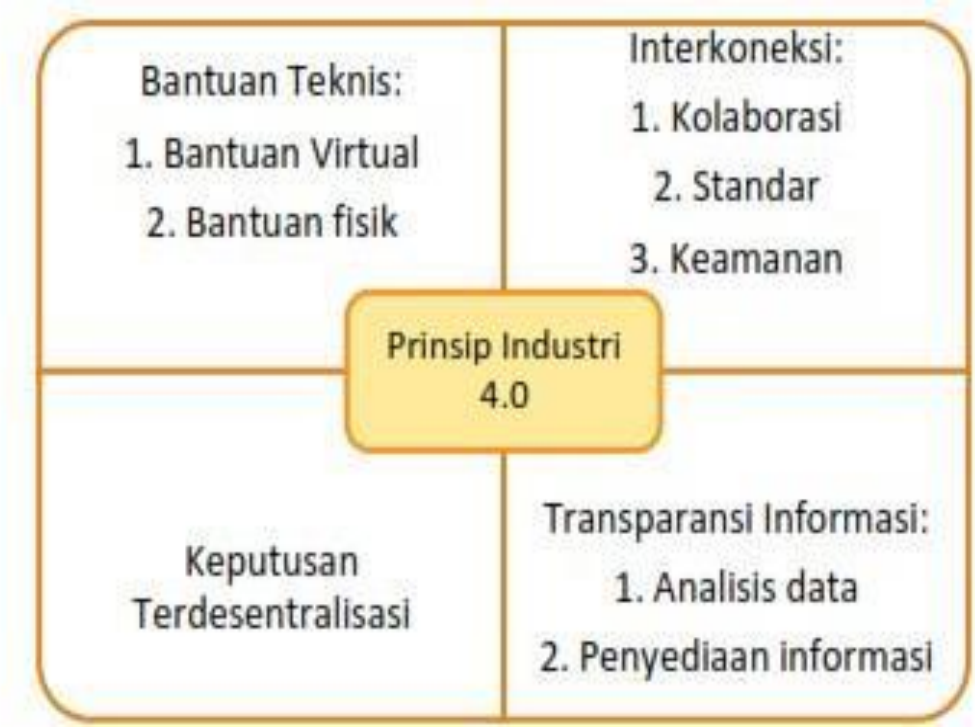

Figure 1.Industry Principles 4.0 (Source: Hermann et al., 2016)

B. Social Capital

In the business world, when people talk about the term capital, usually their minds will be on money, shop houses (shophouses), shops, or various other business equipment. However, if the term capital is mated with or brought into the social context then the term becomes social capital and has a different meaning. As understood by society in general, social capital is capital that in fact does not include economic capital, and functionally has a role to build everything that is hope. Social capital is something abstract but has a real influence in social life as well as organizations (Leana, Carrie, R., and Pil, 2006). Ferrer et.al also said that in an organization, social capital has a very important role as well as having a positive influence on organizational performance (Ferrer et al., 2013). The emergence ofsocial m odal in life is caused by the existence of social interactions in a social environment such as groups, organizations or societies

All forms of capital, be it in the form of money or social, will have an impact and influence on the performance of an organization. Social capital, material capital, or other capital will both produce results in the form of the desired rate of *return*. But there is a difference, if the capital of money can be measured by a certain ratio, while social capital cannot be measured by a definite measure. This is because the impact of social capital in a social environment cannot be measured by money. If an organization wants to know its rate of return (*return*), then further research must be carried out.

In Woolcock's perspective, social capital is something that allows the enhancement of individuals in mutually beneficial cooperation and can improve the quality of life of society in general (Woolcock, 1998). There are at least six things related to social capital, namely participation in cooperation, mutual relations, beliefs, social norms, togetherness, and being proactive (Rosyadi, 2018). While Francis Fukuyama explains that social capital can be understood as any resource that an individual or group has, whether it is visible or invisible in nature and used for a process of mutually beneficial group cooperation and is understood together (Fukuyama, 2000).

In *The Asia Foundation's view,* the so-called social capital is the result of interactions derived from knowledge and identity resources that are used and built into simultaneous learning (Asia Foundation, 1998). According to Hidayat, social capital is something that can be seen in real terms, including participation in policy makers, professional protocols, social learning, collaboration, trust and solutions to common problems, collective responsibility. Hidayat added that social capital is a tool to provide control over behavior, so it is a necessary resource in social life (Hidayat, 2001).

Based on the views of these experts, it can be concluded that social capital is capital that is abstract, cannot be seen, but can be felt its existence and benefits, namely in the form of *trusts*, norms, *reciprocal attitudes* (reciprocal), and social networks (*networks*) born from a person or community and those capitals have a function to develop, empower, and utilize the resources of a social unit.

1. Elements of Social Capital

In Fukuyama's perspective, social capital has three main and main elements, namely *trust*, *reciprocal*, and social interaction (Fukuyama, 2000)." However, when taken the essence of the above understanding of social capital, it can also be said that there are four elements of social capital, namely, trust, reciprocity, norms, and social networks. To clarify the definition of each of these elements, it will be further discussed below.

a. Trust

In the view of McElroy, Jorna, and Engelen (2006) *trust* can be interpreted as a person's attitude in trusting others that they will behave and act correctly. Therefore, t*rust* (trust) is a very important attitude in mutually beneficial cooperation activities. This is because *trust* provides a sense of security and

comfort in cooperation so that it encourages individuals to be willing to cooperate with others and obtain productivity benefits together. Fukuyama further explained that *trust* is a number of expectations that are expected to arise from a community to behave honestly, cooperatively, regularly, all of which are based on agreed and upheld norms. When *trust* is realized, it will be very beneficial for the creator of a single economy because it can reduce costs, because with *trust* all members of the community prioritize common interests over personal interests. From this it can be said that the existence of *high-trust* will give birth to great solidarity, solid cooperation, and mutual compliance with regulations and norms adopted, so that a sense of community will be created in a cooperation (Fukuyama, 2002).

b. Reciprocal

The second main element of social capital is *reciprocal* (reciprocal). R*eciprocal* can be interpreted as a mutual relationship and mutually beneficial relationship with each other and we can find in various community activities, such as helping each other, giving each other, visiting each other, and various other types of intercourse that arise due to social interaction (Soetomo, 2006). Reciprocal attitude or reciprocity is a good attitude in responding to various things that appear in front of us because it shows sensitivity, sympathy, and empathy towards others. *Reciprocity* according to Deckop, Cirka and Andersson is an attitude that adheres to the concept of social exchange, so that anyone who commits a disturbance will reap various benefits either to be obtained directly or in the future (Deckop, John R, Cirka, Carol C and Andersson, 2003). This can be seen directly in our daily lives that when a person does good for others, he will have the opportunity to get benefits. Usually, a person's instinct is that when given kindness by others, he tends to want to return the same kindness to the member on another occasion. When viewed from a religious perspective, this attitude of reciprocity or intercourse is actually in line with religious teachings. In religion it is taught that when an individual is respected then it is taught to reciprocate with comparable or primarily more.

c. Norm (Norma)

The third main element of social capital is the norm. Norms can be interpreted as social standards that describe and become a code of conduct for all members of the organization. Norms can also be *prescriptive* that determine the behaviors that members of an organization can or should not perform (Schroeder, 2010). Although norms are standard rules agreed upon by an organization, they can also become personal norms, because they are internalized and integrated with personal norms. But in fact, in order for the existing organizational norms to be adhered to consciously by all members, then at the beginning of the formulation of norms all members must be present and convey their respective aspirations. Resistance to existing norms is usually caused by the lack of accommodation of proposals from all members. So that what happens is defiance of the norm or even resistance to the existing norm. The

success of a norm can be seen from the obedience of the members in obeying all existing norms consciously. When the members of the organization are many who do not want to comply with the norms, then it can be said that the norms cannot become social capital. Because, the norm that can become social capital is when the norm is supported and obeyed by all members, so as to increase cooperation among all members and obtain benefits together

d. Social Interaction

While the fourth main element of social capital is social interaction. Social interaction is a relationship between two or more individuals, where the behavior of one individual changes, influences or improves the behavior of another individual or vice versa (Gerungan, 1996). While Caplin also explained that social interaction is a social relationship that is interpersonal that influences each other together (Caplin, 1991). The wider social interaction will reach all corners of the community area. Such widespread social interactions will allow for cooperation, reciprocal relationships and the establishment of a sense of trust among human beings. In other words, social interaction will give birth to social networks. A social network is a relationship of a group of people connected due to feelings of sympathy and obligation as well as by the norms of exchange and *civic engagement.* Social networks are usually formed due to the presence of similarities in several ways such as similarities in religion, ideology, hobbies, political views, fate, the same area, and so on (Pratikno, 2001). In the perspective of economic science, the network is a group of individual agents who share informal values and norms beyond those values and norms that are important for ordinary market transactions. Based on this theory, it can be said that social capital has benefits not only in the social aspect but also useful in the economic aspect (Pratikno, 2001).

III. RESEARCH METHODS

This research applies a descriptive qualitative approach (*qualitative descriptive research*). Researchers seek to describe, analyze attitudes, perceptions, and thoughts about the role of social capital in strengthening local governments entering the era of the industrial revolution 4.0 in the regions by conducting *literature* studies, namely library sources that have relevance value so that images, expressions, and explanations of the objects studied are obtained (Bogdan & Biklen, 1982).

Nawawi and Martini (1994) mention that a descriptive method is a method that describes a certain object or event based on visible reality and as it should be which is then taken a general conclusion based on the reality concerned. Meanwhile, Sugiyono (2008), qualitative research methods are research methods based on *post-positivism* phylasphate which is commonly used for research in natural conditions where researchers are the key instrument.

Techniques in collecting qualitative data are carried out descriptively, namely the data is in the form of symptoms that are categorized or in other

forms, such as documents, observations, field notes, and photos during the study (Sarwono, 2006). To complete the data and information from the library, in this study, in-depth interviews were also conducted with 8 key informants from bureaucrat apparatus, and communities in Muara Enim Regency and Palembang City, South Sumatra Province. The collected data and information are then analyzed according to research needs.

IV. RESULTS AND DISCUSSION

As it is understood that today the world has entered the fourth industrial revolution, so the industrial sector has experienced a big leap because information and communication technology is fully empowered. As a result, various sectors of the life of the world community such as the economic sector, industry, government, education, health, politics, and so on have undergone major changes (Satya, 2018). This study will analyze the role of social capital in strengthening local governments into the era of the industrial revolution 4.0

Before discussing this matter, it is necessary to illustrate the pattern of social capital work towards the industrial revolution as below.

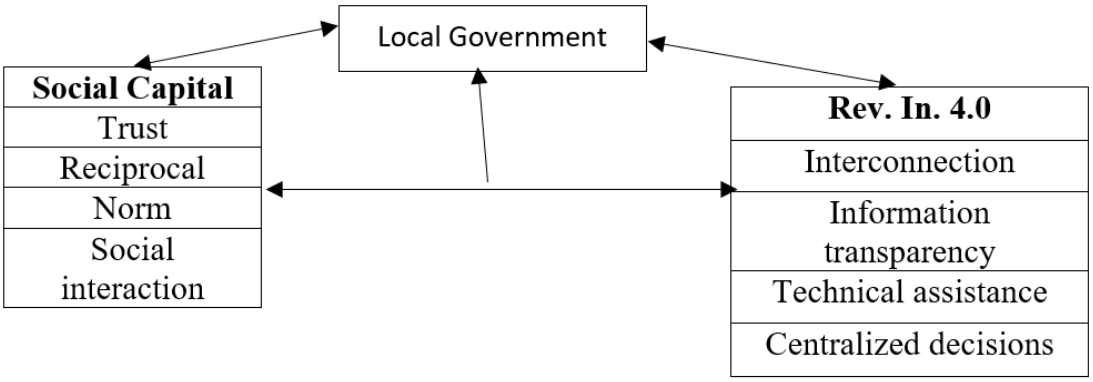

Figure 2. Social capital work patterns towards Rev Ind 4.0

In this section it will be discussed and analyzed further regarding it.

Trust Role (Trust)

In the midst of an industrial revolution that is all based on digital technology and the internet, where the interconnection between community members and with the business world and the government is almost unlimited, local governments are trying their best to keep up with the changes and developments that occur well. Although there are many mistakes that arise mainly in the availability of network infrastructure, the limited literacy capacity of the ASN digtal, and the system that has not supported the adoption of new technologies in the regions. Local governments are competing to build application systems or information management by using the services of vendors as 3rd parties. Under such conditions, the transfer of technology and information from vendo to operato ASN

occurs so slowly that there is precisely then a new dependence of local governments on vendors. Thus, the construction of a new application system becomes ineffective and inefficient because it can only produce *outputs* and there is no *outcome* yet. Meanwhile, at about the same time, the local government is also busy building network infrastructure and developing ASN digital literacy quickly. Of course, this creates new problems because network infrastructure development tends to be handed over to 3rd parties and the development of ASN digital literacy is generally in demand by ASNs from the millennial generation only, while generation X and baby bombers are less interested in. The stuttering and indignity of local governments in adopting and implementing this advanced technology has caused a lack of trust from the social capital trust of the community and stakeholders both in carrying out the principle of interconnection, as well as information distribution. Some informants from the community and the business world said that

"We have not been able to fully trust the local government because the reality is that it is not ready to enter the era of industrial revolution. Some of them are the limited capabilities of ASN's human resources, limited network infrastructure, and the mind set of local government ranks that have not been digitally minded, as well as leadership that has not been transformative".

It is feared that the unpreparedness of local governments in entering the era of the industrial revolution 4.0 will actually disrupt local governments in the implementation of government, development, community empowerment, and public services. This condition will certainly cause problems for the community as recipients of public government services. Thus, social capital cannot build positive cohesion with local governments in entering the era of the industrial revolution 4.0

a. *Reciprocal* role (reciprocal)

Reciprocal behavior or intermittent, is a behavior that is very appropriate and in harmony with human norms, religions, and nature wherever they are and whenever they live, including in the era of openness due to the expansion of the industrial revolution 4.0. Because reciprocal behavior will provide mutual help, giving to each other, loving each other, empathizing with each other, belonging to each other, and various other positive relationships (Werdiningsih, 2020). When such positive behavior grows in various lines of life, it is almost certain that the behavior of the intermittent will always provides harmony and various other positive impacts on the environment of social groups such as, government, companies, organizations, and society. For example, in an organization, when each of its employees has social capital in the form of reciprocity, the work climate that occurs there will be very healthy and conducive, and certainly lead to high productivity and profits that can be enjoyed together. This attitude of disobedience will also have a great positive impact if implemented in various types of activities, whether for an organization or a community. When there is a gap in the literacy of ASN's digital competence with the business world and or

other stakeholders, *reciprocal* can play a role in technical assistance and in building neutralized decisions effectively and efficiently. As did the key informants who revealed that

"The adoption of advanced technology in the industrial revolution 4.0 is a necessity. We know that local governments are not ready to enter it, but by helping each other and supporting each other, we are sure that local governments will be able to enter this era of the industrial revolution 4.0 qualifiedly and gradually after basic needs such as network infrastructure, leadership minsets, ASN HR capacity, and developing systems have been addressed first".

Thus, *reciprocal* social capital can build positive cohesion with local governments entering the era of the industrial revolution

Norm's Role

In accordance with its understanding, norms can be understood as consensuses that are formulated and mutually agreed upon as standards of social behavior that have a role to be used as guidelines, guides, and controllers of behavior in a community. There are several norms known in society, for example religious norms, laws, decency, and decency. Like *reciprocal* social capital, norm social capital is also very much in harmony with human nature wherever they live and whenever they live. This can be seen for example in the world of economics and business is in dire need of norms. If the government, society, and business people do not uphold the existing norms, it is certain that the adoption of industrial revolution 4.0 technology will be more difficult and difficult to start. In the world of politics, the world of law, the world, the arts and culture, the world of education, health, and various lines of life, it is again in dire need of the enforcement of existing norms. More so for living conditions in the era of openness, the era of globalization, the era of the industrial revolution 4.0 as it is today. Where as explained above, the world community has been mentally degragated due to the sophistication of the digital world. Imagine when a social environment such as government, companies, organizations, and society where each member has social capital more and more in the industrial era 4.0, in theory, it will certainly create a harmonious life and will bring benefits that can be enjoyed together. Some key informants say:

" We realize that inevitably – unwillingly, like – dislike, and agree – disagree – disagree the adoption of advanced technology in the industrial revolution 4.0 must be acceptable and implemented. We will morally support the local government in implementing it. Because if we don't support it then we will become victims of technology."

Thus, the existence of this norm will build positive cohesion of social capital with local governments entering the era of the industrial revolution 4.0

b. The Role of Social Interaction

In the midst of the development of this kind of sophistication of information technology, communication, and transportation, social interaction activities can almost certainly decrease very drastically. How not, people want to shop for various needs alone can be met *online*. Working people can also already be done *online*. It is these phenomena that in turn make people interact with each other rarely interact for real. People who used to fill and interact in public spaces, are now moving to stuff social media spaces. Communication or social interaction through gadgets, is also part of the type of social communication. But whatever the reason, real communication is still more meaningful and valuable than just virtual communication. This can be seen in various virtual communication phenomena which sometimes actually cause problems because they have the potential for misunderstandings between the two parties. From this it can be said that real social interaction still plays a very important role to build a harmonious order of life that can build a social network that allows cooperation and provides benefits among all members of society. The presence of advanced technology that is all digital and the internet is feared to reduce or even negate the social interactions that have occurred so far. Some informants from elements of the community said:

"We are concerned that the presence of advanced technology that is all digital and the internet will reduce or even negate the in-person social interactions that have occurred so far. This condition can threaten the noble values of the Indonesian nation such as friendship, mutual cooperation, and the like. Meanwhile, the local government has also not been able to convince that this advanced technology will be able to maintain social interaction between us even through virtual".Thus, social capital social interaction has not been able to build cohesion with local governments entering the era of the industrial revolution 4.0.

The implications of the results of this research discussion show that local governments in Indonesia will need a longer time and greater costs in readiness to enter the era of the industrial revolution 4.0. Because you have to prepare some basic needs such as a supportive *mindset* and government system, qualified ASN human resources capacity, availability of adequate network infrastructure, and readiness transformative leaders in the regions.

Such conditions will be able to build trust and social interaction in strengthening local governments into the era of industrial revormation 4.0

V. Conclusion

The Industrial Revolution 4.0 is a massive change in the process of human life and life, including for local governments in the implementation of government, development, community empowerment, and public services. Local governments generally experience stuttering and insecurity in entering this era due to limitations in many ways, such as hr capacity, availability of network infrastructure, mindset and system in government who are not ready, as well as generally leadership that is not transformative in the face of this major change in advanced technology.

The results of the discussion in this study show that social capital has not been able to fully strengthen local governments in entering the era of the industrial revolution 4.0.

The role of social trust capital and social interaction has not been able to provide positive reinforcement for local governments in entering the era of the industrial revolution 4.0. Theprovision of reciprocal social capital and norms can provide positive strengthening of local governments entering the era of the industrial revolution 4.0.

The implications of this study show that local governments need a longer time and greater costs in preparing themselves to enter the era of the industrial revolution 4.0

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