

Social capital and local development:  
an exploration of three forms of community-based social capital

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Nicole Renay Grewe

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Program of Study Committee:  
Vernon D. Ryan (Major Professor)  
Stephen M. Aigner  
Terry L. Besser  
Peter F. Korsching  
Timothy O. Borich

Iowa State University

Ames, Iowa

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Major Professor

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## ABSTRACT

Recent social capital literature has extended the concept from an individual attribute to a characteristic of communities. As a community-level attribute, social capital has been increasingly linked to community well-being and local development. In light of this, this study examines whether and how community-based social capital is associated with community and economic development. Adopting Portes and Landolt's theoretical framework, community-based social capital is conceptualized and measured according to three forms - enforceable trust, value introjection, and bounded solidarity (2000). Community development is defined by process; measurement is limited to two integral community development principles - citizen participation and knowledge generation. Economic development is also defined by process and is measured according to a community's level of economic development activity. Quantitative analysis is based on data collected from 98 Iowa communities in 1994 and 1997. Findings indicate community-based social capital forms contribute to community and economic development. In particular, community-based social capital in the form of value introjection is consistently associated with local development. Findings are discussed within the context of implications for theory, future research, and local development practice.

## CHAPTER 1: INTRODUCTION

Rural communities have played an important role in American society. They have reinforced traditional values of community, supported ideals of individualism, and served as a pillar of American patriotism. Economically, they have also provided a considerable amount of the labor, food, and natural resources that fuel America. For many citizens, rural communities stand as the foundation of agrarian myths depicting pastoral landscapes populated with hard-working people who value family and community. There is no doubt the American image of an idyllic small town "nestled between farms and woodlands on rolling hills with winding roads, covered bridges, and steeped churches is a popular one in American culture" (Humphrey, 1990:34).

Contrary to popular belief, research suggests romanticized images of preserved rural community life amid family farms, locally-owned stores, small factories, and home fronts continue to serve as a persistent misperception of the true conditions characterizing much of contemporary rural America. As Richardson contends, "the reality of (today's) rural America is too often shrouded in popular myth" (2000:XII). Contemporary rural communities are challenged by fast-paced change, diversity, and increased complexity (Castle, 1993, 1995; Galston and Baehler, 1995; Lapping, Daniels, and Keller, 1989; Richardson, 2000; Whitener and McGranahan, 2003). While some rural communities are prospering as high amenity settlements, tourist towns, retirement destinations, and rural fringe bedroom communities adjacent to metropolitan areas, most display symptoms raising concern for their future.

Today's troubled rural communities are confronting a variety of social, economic, environmental, and political challenges. Socially, many small towns are having difficulties maintaining their population (Cromartie, 2003; Fuguitt, 1995; Galston and Baehler, 1995; Lichter, McLaughlin, and Cornwell, 1995; McGranahan and Beal, 2003; Whitener and McGranahan, 2003). Following a brief period of nonmetropolitan growth during the 1970s (coined the term "rural renaissance"), the majority of rural communities continue to experience population decline. The qualitative nature of this decline, however, is equally significant; most notable is the erosion of the local human resource base. Specifically, rural areas are threatened by the consequences of losing their "best and brightest" as those leaving rural areas tend to be young, educated, and skilled (Lichter et al., 1995:254). As Bergland asserts, "the largest rural export today is talent" (1990:X). Also of concern are rural poverty and unemployment rates, both of which remain higher in rural areas than in metropolitan regions or the nation as a whole (Fitchen, 1995; Galston and Baehler, 1995; Summers, 1995). "Rural Americans now have lower incomes, fewer job opportunities, higher underemployment rates, and are more apt to live in poverty" than their urban counterparts (Wade and Pulver, 1991:105).

Economically, many rural communities are challenged by a reduced economic base. In the Midwest, small towns struggle as agriculture becomes increasingly concentrated and vertically integrated forcing agricultural workers to migrate from the community to seek employment elsewhere (Albrecht, 1997; Albrecht and Murdock, 1990). Population loss caused by out-migration contributes to local tax base and private business loss as there become fewer people to financially support the community. Where other rural economies have maintained or enhanced their population, a dependency upon manufacturing is

common, which has contributed to a single sector dominance of the local rural society (Luloff and Swanson, 1990). Throughout rural America, economic dependency, when it occurs, has generally shifted from extractive industries to low-skilled and low-income manufacturing and service sector enterprises (Summers, Horton, and Gringeri, 1995; Pulver, 1995). By the end of the 1980s, the national rural economy was dominated by manufacturing, service sector, and public service employment; all types of extractive industries accounted for only 16% of all rural employment (Luloff and Swanson, 1990). By 1995, over two-thirds of the rural workforce were employed in service or manufacturing sectors and only eight percent in farming (Economic Research Service, 1995). Today, "seven out of eight rural counties are dominated by manufacturing, services, or other employment not related to agriculture" (Whitener and McGranahan, 2003).

Along with economic challenges, rural communities are experiencing environmental issues largely stemming from their extractive activities including farming, fishing, forestry, and mining. The agricultural industry, common to many rural communities, is frequently targeted as a contributor to environmental pollution (Rogers, Burdge, Korsching, and Donnermeyer, 1988). Frequently cited agricultural environmental abuses include soil erosion, water contamination, and air pollution. Aggressive timber extraction, with little regard for future yield sustainability, has placed many timber-dependent communities at risk (Humphrey, 1990). Fishing and mining dependent communities are also threatened by the negative consequences associated with unmanaged resource extraction (Israel and Beaulieu, 1990). Coastal communities dependent on the sea have experienced problems associated with overfishing. Mining communities have a long history of boom and bust cycles while enduring persistent criticism for environmental abuse. In summary, natural resources play a

major role in the survival of some rural communities, and if properly managed, can provide a continuing flow of resources for rural economies. Regardless of the type of natural resource extraction, abusive harvesting with little regard for future yields places many resource dependent communities at risk (Luloff, 1990).

Political problems are also numerous for rural communities and generally include elements of political fragmentation, centralization of power, lack of generalized leadership, and special interest group domination (Bardo and Hartman, 1982; Israel and Beaulieu, 1990). Local governments are often accused of ineffectiveness and inefficiency in dealing with societal problems. Community leaders face increasing challenges to meet local needs while undergoing criticisms for their lack of ability to respond. External forces have also impaired the ability of local rural governments. Reduction in local, state, and federal resources coupled with the demands of state and federal mandated programs have increased the financial burden for local communities (Lapping, Daniels, and Keller, 1989). Ultimately, many communities face difficulties retaining qualified public officials who complain of lack of resources and eventually find the job overburdensome (Israel and Beaulieu, 1990).

In summary, today's rural communities face the challenge of reacting to rapid socioeconomic changes both within and outside their boundaries. Confronted with macroeconomic restructuring of the national economy towards professional and service enterprises has been the norm, not the exception. Restructuring has challenged communities whose economies have historically depended on extractive and production industries. In addition to economic challenges, rural communities are also experiencing widespread population loss, persistent poverty, and underemployment.

Unfortunately, previously described circumstances frequently impede solutions for many rural communities due to prior economic base decline, population erosion, and increased demand for adequate services. As a result, communities are placed in the precarious position of having to develop local initiatives at the very time their coping ability is declining through population and subsequent human capital loss. To make matters worse, efforts to develop a national rural development agenda have been largely unsuccessful. For agricultural-based communities in particular, federal rural policy is too often equated with farm policy despite the fact agriculture employs only a minority of rural residents (Galston and Baehler, 1995; Swanson, 1990; Whitener and McGranahan, 2003).

Scholars and practitioners have long been occupied with the challenges confronting rural communities. Efforts to develop strategies that promote community viability have been central to discussions of rural woes. In recent times, there has been considerable interest in pursuing either community development or economic development strategies. These two represent related, but conceptually distinct local development strategies largely characterized by differences in orientation. Community development represents a holistic process used to address the total needs of the community; while economic development targets the economic sector of community life (Long, Anderson, and Blubaugh, 1973).

Most interpretations of community development reflect the basic notion of local residents working together to improve their social and material situation. It emphasizes the importance of local society involvement and is based on the assumption that addressing the interests of all local residents is vital to community sustainability. For Christenson et al., "the underlying philosophy (of community development) is to help people become subjects instead of objects, acting on their situation instead of simply reacting to it" (1989:3).

Community development, specifically defined, represents "a group of people in a locality initiating a social action process (i.e., planned intervention) to change their economic, social, cultural and/or environmental situation" (Christenson et al., 1989:3). Within this context, local residents become catalysts for social action to improve their overall quality of life.

While economic development represents a component of a holistic community development approach, conceptually it involves a distinct process that focuses on the economic elements of a community. As a unique process, it strives to stimulate local economic activity by promoting growth, increasing employment opportunities, raising incomes, supporting existing local business, and attracting new firms. While similar to community development as a process, economic development focuses on the "formation of new institutions, development of alternative industries, improvement of the capacity of existing employers to produce better products, identification of new markets, transfer of knowledge, and nurturing of new firms and enterprises" (Blakely, 1994:50).

In overview, community change does not take place spontaneously, automatically, or without effort. Rather, problems and opportunities are identified, potential solutions evaluated, resources mobilized, and strategies selected and implemented. Likely the most important decision for rural communities is the choice of a development strategy – community or economic – to adopt and implement. Depending on local needs, local leadership, and resident input, communities may chose to pursue community development, economic development, or a combination of both. Differences in development strategy selection represent alternative methods of initiating community change. At the same time, choice of strategy may also reflect the nature of the community itself.

### **Rationale and Purpose**

Both community and economic development rely on inputs from and interactions between various forms of capital including financial, physical, environmental, human, and social. Within this context, capital is defined as a resource that is reinvested to create new resources (Flora et al., 1992:133). Each form of capital is important because of its ability to benefit the productivity and efficiency of other forms of capital. For example, social capital encourages trusting and cooperative relationships that ultimately lower transaction costs, thereby making physical, human, and financial capital more efficient (Burt, 1992; Flora and Flora, 1994; Smith, 2002). At the same time, overemphasizing one form of capital can adversely influence other forms of capital. For instance, emphasizing an increase in financial or physical capital without regard for pollution can harm the environment and potentially threaten human capital stocks due to pollution-related health problems. Each community resource is important and cannot be adequately substituted with an alternative form of capital (Flora and Flora, 1994).

Of particular interest to this study are social capital's implications for local development strategy selection. Specifically, attention is directed to the value of social capital as a resource for both community development and economic development efforts. Grounded in theories of social embeddedness (Granovetter, 1985; Portes and Sensenbrenner, 1993) and social exchange (Blau, 1964; Cook, 1991), social capital represents a resource that resides in the structure of social relationships. The most widely accepted definition describes social capital as the "ability to secure (other) resources by virtue of membership in social networks or larger social structures" (Portes and Landolt, 2000:532). It is unique from other forms of capital because it is embedded in social relationships, therefore becoming a property

of collectives rather than individuals. At the same time, individuals are able to secure benefits by virtue of membership in social capital-rich networks. Elements of social capital including sustained social interactions, social networks, norms of reciprocity, and mutual trust serve as valuable resources and become a form of capital when they are combined to address collective needs (Wall et al., 1998).

While social capital receives greatest theoretical and methodological elaboration at the individual level, Portes states there is "nothing intrinsically wrong with redefining it as a structural property of large aggregates" (1998:31). Putnam endorses the idea of place-based, or community social capital. He links structural qualities to collective benefit by describing social capital as "features of social organization such as networks, norms, and social trust that facilitate coordination and cooperation for *mutual benefit*" (italics added, 1995:7). In similar fashion, this study treats social capital as a structural property of a larger aggregate – an aggregate that benefits an entire community. This community-level resource is realized when actions occur on behalf of community-wide interest.

Most scholars generally agree (with limited empirical confirmation) that community-level social capital, when present, facilitates community development in numerous ways (Flora, 1995; Flora, 1998; Flora and Flora, 1993; Gittel and Vidal, 1998; Putnam, 1993a, 1993b, 2000; Smith, 2002). It does so by promoting volunteerism (Wilson and Musick, 1997; Ryan, Agnitsch, Zhao, and Mullick, 2001), facilitating civic engagement (Putnam, 1993a, 2000; Warner, 1999), encouraging collective action (Agnitsch, Flora, and Ryan, 2001; Gittel and Vidal, 1998; Gittel and Thompson, 2001; Sharp, 1998), and improving local governance (Putnam, 1993a, 2000; Rice, 2001). It is also believed to facilitate economic development by reducing transaction costs (Flora, 1995), increasing the rate of return on

other investments (Burt, 1992; Putnam, 1993b, 2000; Smith, 2002), encouraging economic growth (Fedderke, Kadt, and Luiz, 1999; Flora et al., 1997; Gittel and Thompson, 2001; Narayan, 1999; Putnam, 1993a, 2000; Smith, 2002), and raising average levels of household income (Robison and Siles, 1999). In short, community-level social capital has been used to address a wide array of contemporary local socioeconomic issues.

Despite warnings to prevent social capital from becoming a "panacea for the ills of modern society" (Wall, Ferrazzi, and Schryer, 1998:313), popular press and academic authors have continued to hail social capital as an invaluable asset for individuals, organizations, and communities. Much of the debate surrounding the concept relates to its use at numerous levels of abstraction, application at different levels of analysis, and irreverence for potential negative consequences (e.g., exclusion) (Portes and Landolt, 1996, 2000). In fact, Robison, Schmid, and Siles suggest "the term social capital has taken on so many meanings and is enlisted to fight so many battles that it is at risk of becoming the ether that fills the universe" (2002:1). Despite these concerns, social capital continues to be indiscriminately applied to social issues with minimal theoretical and methodological elaboration.

To be clear, social capital has proven to be a useful lightning rod reminding us of the importance of both individual and collective action. It highlights an important aspect of action that is commonly underemphasized by economists – the role of nonmarket relationships. However, little effort has been given to theorizing, operationalizing, and measuring the importance of *community-level* social capital on behalf of either community development or economic development efforts. Although considerable empirical evidence exists supporting a relationship between individual-level social capital and individual-level

outcomes (e.g., improved education, social status, and income), the link between community-level social capital and community-level consequences remains less developed. The question remains, does empirical evidence support the assertion that community-based social capital influences the pursuit of community or economic development?

The distinction between process and outcome is critical to the application of community-based social capital to community and economic development. Most research links social capital to development outcomes, but virtually ignores the association between social capital and the development effort itself. As Portes and Landolt suggest, "searching for positive development results to which a social capital story can be attached is a particularly pernicious form of sampling on the dependent variable" (2000:536). Portes and Landolt go on to warn, "one must be cautious in assessing the role of social capital as an independent causal factor in development" (2000:536).

Recognizing the importance of distinguishing between process and outcome, this study defines community development and economic development not by outcomes, but rather by process. As scholars have noted, both community and economic development represent processes intended to bring about change. Within this context, social capital does not necessarily lead directly to an outcome, but rather facilitates a process (i.e., strategy) with the intent of achieving an outcome. In short, since the value of social capital lies in its ability to facilitate certain actions, it is more directly linked to specific strategies of community and economic development than to targeted outcomes (e.g., improved community economic performance) resulting from the process.

As a multidimensional concept, three forms of community-based social capital are identified – enforceable trust, value introjection, and bounded solidarity (Portes and Landolt,

2000; Portes and Sensenbrenner, 1993). Although originally presented as three sources of social capital, this study adopts and extends this perspective to suggest they are also three distinct forms of community-based social capital largely characterized by origination. More importantly, all three forms of community-based social capital have implications for local development.

Addressing areas of theoretical and methodological confusion, the purpose of this study is to determine whether and how community-level social capital is associated with community development and economic development. More specifically, what impacts do various forms of community-based social capital have on decisions made by communities seeking development? Do different forms of community-level social capital have consequences for each type of development? If so, how do they influence either type of development? In essence, while community-level social capital is considered capable of influencing both community and economic development, little is known of its actual influence on such efforts.

Recognizing the significance of quantifiable measures, a first step is taken in this study to develop indicators of community-level social capital as operationalized by three forms (enforceable trust, value introjection, and bounded solidarity) and the occurrence of both community and economic development. Using these indicators, cross-sectional comparisons are made of 98 Iowa communities. Overall, this study determines whether the existence and strength of community-level social capital influences community and economic development efforts in Iowa's rural communities. Do rural communities with differing forms of social capital pursue local development differently? Alternatively, is choice of a development strategy linked to specific forms of social capital?

### **Research Questions and Objectives**

This study addresses two main research questions. First, do rural Iowa communities differ in their pursuit of local development (i.e., community development, economic development, or a combination of both)? Second, do community-based forms of social capital help to explain community differences in local development strategy selection? That is, does social capital affect the process through which outcomes are achieved?

To complete this study, several research objectives are employed to explore the relationship between community-level social capital and the pursuit of community and economic development. First, three forms of community-based social capital are identified including enforceable trust, value introjection, and bounded solidarity (Portes and Landolt, 2000; Portes and Sensenbrenner, 1993). Questionnaire items from a statewide study of communities are used to measure social capital in 98 rural Iowa communities. Second, indicators of community and economic development strategies are created using questionnaire items from interviews with key-informants from the same communities. Third, it is determined whether the three forms of community-level social capital are associated with a community's pursuit of development – both community and economic. In summary, this study explores social capital consequences as a community-level attribute for community and economic development.

This study presents numerous theoretical, methodological, and applied contributions. Theoretically, it explores the similarities and differences between community and economic development and ultimately suggests community development principles are important when employing economic development strategies. This study expands theoretical discussions of social capital as a community-level attribute by presenting three different forms of

community-based social capital, all of which have the potential to benefit localities.

Integrating local development and social capital, this study explores the relationship between development process and social capital. Methodologically, community social capital is operationalized and measured according to three distinct forms. Differing from most studies of local development, this study measures community and economic development according to process rather than as outcomes. From an applied perspective, this study provides further support for the incorporation of social capital into local development efforts.

The following chapter reviews relevant academic literature and culminates in the generation of specific hypotheses that explore the relationship between social capital and the pursuit of community development and economic development. Chapter three details the sample, measures, and methods employed in this study. Chapter four provides discussion of findings. Findings are integrated in the final chapter with a discussion of implications for theory, future research, and community development practice.

## **CHAPTER 2: LITERATURE REVIEW**

This chapter provides an overview necessary for understanding social capital as a community-level variable with relevancy to local development. The basic tenets of community theory and development are addressed with primary attention given to the process of pursuing community development and economic development. Similarly, prominent treatments of social capital are reviewed with emphasis given to framing social capital as a resource input for community and economic development.

### **Community and Economic Development: Process and Strategy**

Over the years, there has been an increase in attention paid to rural problems leading to numerous attempts by development professionals and public officials to respond to local problems. Concern surrounding population loss, local economic base decline, changing agricultural structure, rural land use, and environmental protection have firmly brought rural issues into public debate (Cloke and Little, 1990). There has been extensive discussion concerning how to respond to present challenges and address future concerns. Although a single strategy applicable to all circumstances has not been found, there is consensus that rural areas require committed, persistent, and sustained investments from a variety of resources.

Of importance to this study is the pursuit of community development and economic development. Community and economic development represent two related but conceptually distinct strategies. Community development is broader than economic development because "it is concerned with the total community life and the total needs of the community" instead

of only one targeted sector such as economic growth (Long, et al., 1973). It represents a multidimensional strategy that relies on widespread public participation, treats community as an integrated whole rather than independent subsectors, and is holistic in nature by addressing both social and material needs. In contrast, economic development is only one component of a holistic community development strategy that targets only the economic domain of the community. In short, community development represents a comprehensive process that uses local people to improve local quality of life whereas economic development is limited to the economic realm of community. In fact, economic development may at times be antithetical to community development because it may not incorporate local people and may not actually improve overall local quality of life (Flora et al., 1992).

Garkovich (1989), Kaufman (1959), Summers (1986), and Wilkinson (1972, 1991) detail an important distinction between two approaches to development that characterize the distinction and relationship between community and economic development – development *in* the community and development *of* the community. Development *in* the community is a goal-oriented process used to promote a specific community sector (e.g., economy). In contrast, development *of* the community is more general and includes promoting local structures that integrate individuals within the broader society by increasing local interaction and diversity. Development *of* or *in* the community are not to be viewed as incompatible, but rather as complementary processes that can provide mutual benefit and work in concert to achieve community benefits. For example, the creation of local organizations to manage specific local economic development endeavors may incorporate both development *in* and development *of* the community by creating a local group to pursue a targeted outcome (e.g., economic growth).

A similar distinction frequently noted in development literature is between growth and development. "While economic growth is an essential component of development, it is not the only one, as development is not a purely economic phenomenon" (Singh, 1999:22). Economic growth pertains to a quantitative increase in output that generally pursues either local economy expansion or increased per capita income. Development, on the other hand, is more of a qualitative structural change that implies the improvement of overall quality of life by addressing all domains of community life. Increases in economic growth do not necessarily coincide with development benefits (Blair, 1995; Malizia and Feser, 1999; Sing, 1999). Specifically, "growth and development may be competitors in the near term, but are usually complements in the long term" (Malizia and Feser, 1999:21). In the long term, growth provides financial resources for development and development provides organizational and social structures that facilitate growth.

In the past, local development was too often equated with economic development. Progress was defined by local economic growth and per capita income increase without consideration for equal distribution of benefit. Warning against the danger of pursuing development as narrowly defined by economic progress, Wilkinson highlights the danger of implementing a development process that neglects the social component of community.

Economic development without community development can increase the gap between social classes and reduce the expression of natural human tendencies toward interpersonal warmth, cooperation, tolerance, and respect. Community development as a purposeful activity is needed to realize the

potential social well-being benefits of economic development  
(Wilkinson, 1979:14).

### *Community Development*

Community development is much more than local economic growth, built physical infrastructure, or land use planning. Broadly speaking, its objectives include improving the lives of people by pursuing economic growth, political responsiveness, equity, self-sufficiency, and sustainability (Galston, and Baehler, 1995). It does so by encouraging broad-based resident participation and treating the community as an integrated whole rather than as independent subsegments. By nature, it is comprehensive in process, which includes addressing economic needs as well as other local aspects that serve the public good. In essence, community development involves a process that addresses the economic, social, and human domains of total community life.

As previously mentioned, there are numerous definitions of community development. Christenson comprehensively defines community development as "a group of people in a locality initiating a social action process (i.e., planned intervention) to change their economic, social, cultural, and/or environmental situation" (1989:14). Warren defines community development as "a process of helping community people analyze their problems, to exercise as large a measure of autonomy as possible and feasible, and to promote a greater identification of the individual citizen and the individual organization with the community as a whole" (1978:20). Wilkinson focuses on the potential of social relationships by suggesting improved social interaction promotes communication, increases cooperation, and ultimately helps individuals identify common interests and address local issues (1972, 1991).

Specifically, community development involves actions that are purposively directed toward altering community field structure in a positive way and "occurs when people attempt purposively to increase or reinforce the generality of interactional relationships among their various fields of locality oriented action" (Wilkinson, 1991:92). In greatest generality, Flora et al. describe community development as "what people do to improve the overall quality of the community" (1992:320). Although definitions vary in detail, they share a common underlying assumption that intended change is positive.

Specific community development goals are as diverse as community development definitions. For Christenson, the primary goal includes improved social and economic conditions through economic growth, distribution of social goods, technological advancement, and social change (1989). Warren highlights the importance of encouraging self-help and integrating individuals within the community (1978). Central to Flora et al.'s perspective is the objective of a collective working together to improve local quality of life (1992).

Regardless of diversity in articulation of community development definitions and goals, there are both shared assumptions and identifying attributes that characterize community development (Long et al., 1973). First, community development assumes the community as possessing *wholeness*. Within this context, the local community is the basic unit for development. Second, community development is *concerned with all local residents* rather than any one group or segment of the population. Third, community development is concerned with *total community life* and *total community needs*. Fourth, community development promotes *self-help*, placing major responsibility upon local residents and leaders to organize, mobilize, and use resources for community betterment. Fifth,

community development "promotes and emphasizes virtues of *participation* by assuming individuals and communities have inherent value apart from any product or objective toward which it may be directed" (italics added, Long et al., 1973:16).

Christenson et al. suggest community development has relevancy for locality for a variety of reasons (1989). First, it can promote local initiative by encouraging the involvement of local people in the process of improving their quality of life. Second, it can build channels of communication that encourage social interaction and solidarity. Third, it can improve the social, economic, and cultural well-being of local residents.

Also emphasizing the importance of local involvement and social interaction, Wilkinson describes community development as strengthening local relationships to positively alter community field structure, which ultimately improves actors' abilities to express common interests and solve community problems (1972, 1991). Within this context, community development is a purposive process to build structure and remove barriers to social interaction that promote local residents acting together for mutual well-being.

In summary, this study adopts Christenson's approach to community development by defining it as "a group of people in a locality initiating a social action process (i.e., planned intervention) to change their economic, social, cultural, and/or environmental situation" (1989:14). Within this context, community development is interpreted as a comprehensive *process* that addresses *all aspects* of community well-being including economic, physical, social, and human domains of community life. It views community as an *integrated whole* and values broad-based *citizen participation*.

### *Economic Development*

Economic development in the most general sense refers to the "sustained, progressive attempt to attain individual and group economic interests through expanded, intensified, and adjusted use of available resources" (Shaffer, 1989:7). Similar to community development, economic development involves process, not ultimate outcomes. Within this context, it is a strategy that pursues economic growth, job opportunities, per capita income, and equal distribution of resources (Blair, 1995). It is an element of, but does not comprise the entirety of a community development strategy. In short, it is a component of a holistic community development process that targets the economic domain of local community.

Providing a narrower definition, the American Economic Development Council defines economic development as the "process of creating wealth through the mobilization of human, financial, capital, physical, and natural resources to generate marketable goods and services" (1984:18). Within this context, individuals and organizations facilitate the economic development process by marshalling appropriate resources to expand job opportunities, promote a friendly local business climate, and increase the local tax base (Blakely, 1994).

Blakely similarly suggests economic development is "essentially a process by which local governments, along with local corporate firms, join forces and resources to enter into new partnerships and arrangements with the private sector or each other, in order to create new jobs and stimulate economic activity in a well-defined economic zone" (1994:49). Central to this definition is the utilization of local human and physical resources in an attempt to create new employment opportunities and stimulate new locally-based economic activity. "It is a process involving the formation of new institutions, the development of

alternative industries, the improvement of the capacity of existing employers to produce better products, the identification of new markets, the transfer of knowledge, and the nurturing of new firms and enterprises" (Blakely, 1994:50).

From a planning perspective, Lapping et al. provide the following definition of economic development that again emphasizes a process to achieve economic goals:

Economic development is a process of change whose goal is to increase the wealth of a community by raising incomes, increasing access to services, and reducing unemployment... economic development occurs when private entrepreneurs, nonprofit firms, cooperatives, or government agencies make investments in a town (1989:273).

In summary, following Lapping et al., this study treats economic development as "a process of change whose goal is to increase the wealth of a community by raising incomes, increasing access to services, and reducing unemployment" (1989:273). Examples of economic development activities include attempting to recruit new business or industry, encouraging expansion of locally owned business, developing industrial parks to assist in pursuing future local development endeavors, and fostering relationships with outside leaders or agencies to obtain technical or financial assistance.

### *Community and Economic Development Practice*

Both community and economic development typify processes to achieve a product, outcome, or goal. Their conceptual differences, however, are noteworthy. Community development seeks to improve overall quality of life by addressing total community needs and incorporating a wide range of environmental, physical, social, cultural, and economic goals. It is a process based on extensive public participation to improve both material and nonmaterial conditions. Specific examples include improving public services, alleviating poverty, increasing use of local resources, enhancing leadership, strengthening social relationships, protecting the ecosystem, and supporting a healthy economy. In contrast, economic development targets the economic domain by focusing on economic-related goals as an attempt to increase wealth by stimulating economic growth, raising incomes, increasing access to services, and reducing unemployment. Unlike community development, economic development may not necessarily be oriented towards public welfare because distribution of outcomes may be limited to a private beneficiaries rather than to the entire community (Ryan, 1988). As an example, growth machine literature emphasizes the extensive involvement of bankers, realtors, and land developers in economic development activities with little regard for broad-based citizen participation (Jonas and Wilson, 1999; Logan and Molotch, 1987).

Although community and economic development differ in focus and targeted goals, at the most general level, they share a common process that serves as a "vehicle for participants to think about the future" (Blair, 1995:310). At the most general level, both involve the identification of problems and opportunities, selection of goals and objectives, consideration of alternative solutions, resource mobilization, and implementation of strategies.

Although frequently presented as two competing strategies, community and economic development are more representative of two complimentary processes. In fact, addressing total community well-being likely requires the incorporation of both processes. As Ryan asserts, "the revitalization of rural America depends on a combination of economic and community development activities" (1988:16-1). In similar fashion, the distinction between development *of* versus *in* the community and between growth versus development have often been blurred by previous scholars and practitioners.

Ryan further contends that "community development is instrumental to the success of economic development" (1988:16-2). With its focus on public participation and widespread distribution of benefits, community development ensures the process is directed toward public interests as opposed to the private interests when few people are involved. These foundational community development principles can guide economic development endeavors to ensure public rather than private benefit, thereby encouraging widespread distribution of benefits. In essence, incorporation of community development principles improves the likelihood that economic development will lead to positive, widespread, and enduring positive benefits. As Wilkinson suggests, "community development (and its associated requisite for local involvement) is needed to realize the potential social well-being benefits of economic development" (1979).

To summarize, "community development has to do with the manner in which issues are addressed behaviorally by a community" (Ryan, 1988:16-5). The level and nature of collective action within a community influences its ability to obtain resources to pursue economic development. It has to do with two distinct yet interdependent issues: First, it is a process involving *broad-based public participation* that subsequently builds the local

capacity of residents to identify local challenges, recognize opportunities, and solve community-wide problems (Ryan, 1988). By increasing local capacity, communities are more able to "plan and implement their own economic development efforts through self-directed community development activities" (Ryan, 1988:16-6). The second issue pertains to the matter of *information* relevant for development purposes. As an additional dimension of local capacity building, improving the local knowledge base on issues related to economic development can improve the ability of local residents to address future community concerns (Ryan, 1988).

### **Social Capital: Origins and Definitions**

Hanifan is credited with being the first to use the term social capital within a discussion that foretold of its community-building implications (Rae, 2002:XI; Robison, Siles, and Schmid, 2002). Building upon the economic capital metaphor:

In the use of the phrase social capital, I make no reference to the usual understanding of the term capital, except in a figurative sense. I do not refer to real estate, or to personal property or to cold cash, but rather to that in life which tends to make these tangible substances count for most in the daily lives of people, namely goodwill, fellowship, mutual sympathy, and social intercourse.... (Hanifan, 1916:131).

Decades later, other scholars independently rediscovered the social capital concept. In fact, Putnam suggests the term has been independently reinvented at least six times in the past century (2000). Jacobs (1961) and Loury (1977) are two of the earliest scholars frequently cited for early use of the concept. Urbanist Jacobs referred to social capital's value as an irreplaceable resource in neighborhood networks within larger cities (1961). Loury discussed the importance of social capital in his efforts to understand social cohesion, hierarchy, race, and integration (1977).

In contemporary times, the prominent works of Bourdieu, Coleman, and Putnam form the basis for the majority of current social capital discussions. Bourdieu is often credited with providing the first contemporary and systemic discussion of social capital by defining it as "the aggregate of actual or potential resources which are linked to possession of a durable network of more or less institutionalized relationships of mutual acquaintance and recognition" (1986:249). Accordingly, social capital provides an individual access to the physical, cultural, and social capital of fellow group members. Although Bourdieu recognizes social capital as a collectively owned resource, he suggests actors are rationally motivated to join groups in order to utilize collectively owned stock for personal benefit. In summary, investing in social capital is important to individuals for building economic capital and improving social status.

Similar to Bourdieu, Coleman suggests social capital is a resource that tends to be undervalued as a means to achieve the interest of the individual through utilizing the social relations attached to the individual. Social capital is, therefore, not a characteristic of individual actors, but "inheres in the structure of social relations between and among actors" (Coleman, 1988a:s98). Individual desires are emphasized by describing social capital as "the

value of these aspects of social structure to actors as resources that they can use to achieve their interests" (Coleman 1988a:s101). In essence, social capital is an aspect of social structure that has the ability to benefit rational actions of individuals who are within the structure – "human interaction as premised upon rational action" (McLean, Schultz, and Steger, 2002:5).

In contrast to Bourdieu and Coleman's focus on individual uses of social capital, Putnam's work clearly emphasizes social capital as a dimension of and resource to geographic communities (1993a, 1993b, 2000). Putnam analyzes group-level social capital as a property that emerges from processes of cooperation and collective action. Putnam refocuses attention on the collective uses of social capital by referring to it as "features of social organization, such as networks, norms, and trust, that facilitate coordination and cooperation for *mutual benefit*" (italics added, 1993a:35-36). In essence, "social networks have value" and that increased "social contacts affect the productivity of individuals and groups" making individuals, groups, and communities the beneficiaries of collective stocks of social capital (Putnam, 2000:19). Furthermore, social capital cannot be owned or controlled by individuals because it emerges from social relationships (Putnam, 1993a, 1993b, 2000).

Putnam's *Making Democracy Work* (1993a) and *Bowling Alone: The Collapse and Revival of American Community* (2000) struck a chord and catapulted social capital into contemporary common lexicon. Since their publication, there has been a virtual explosion of multidisciplinary interest in the resource potential of social capital. For example, it has been suggested that social capital can increase educational achievement for children (Coleman, 1988a; McNeal, 1999; Morgan and Sorensen, 1999), facilitate success for new and second

generation immigrants (Lauglo, 1999; Portes and McLeod, 1999), influence career gains (Burt, 1992), improve chances for status attainment (Dyk and Wilson, 1999; Forse, 1999; Lin, 1999b), influence voluntary participation trends (Rich, 1999; Rotolo, 1999; Ryan, Agnitsch, Zhao, and Mullick, 2001; Wilson and Musick, 1997), reduce crime rates (Kawachi et al., 1999; Sampson, 1997), promote civic engagement (Putnam, 1993a, 2000; Warner, 1999), improve local governance (Putnam, 1993a; Potachuck, Crocker, Schechter, and Boogaard, 1997; Rice, 2001), encourage collective action (Agnitsch et al., 2002; Sharp, 1998), and facilitate community development (Flora, 1995; Flora, 1998; Flora and Flora, 1993; Gittell and Vidal, 1998; Putnam, 1993a, 1993b, 2000; Smith, 2002). Social capital has also been associated with individual- and community-level economic benefit. Specifically, it has been noted that social capital reduces poverty (Robison, Siles, et al., 2002), influences terms of farmland trade (Robison, Myers, and Siles, 2002), influences household income distributions (Robison and Siles, 1999), and promotes local economic development (Fedderke et al., 1999; Flora et al., 1997; Gittell and Thompson, 2001; Narayan, 1999; Putnam, 1993a, 2000; Smith, 2002). All of this in spite of the fact social capital still lacks theoretical and methodological specificity.

### *Social Capital Theoretical Perspectives*

As a rule, social capital treatments are fundamentally linked to the theoretical perspectives of either rational choice or embeddedness. Each perspective provides an alternative view of the relative importance of the individual or group. The utility of social interaction for the individual is central to the rational choice perspective, while the social structure in which interaction is embedded is central to the embedded perspective. The

differences between the theoretical perspectives are exemplified by Granovetter's articulation of under-socialized (objective rationality) and over-socialized (normative conformity) approaches to individual action (1985).

Representing the under-socialized view of human behavior, rational choice theory focuses on individuals' needs, interests, and desires. With emphasis placed on the individual, the utility of social interaction for achieving personal goals becomes prominent (Etzioni, 1988). For classical rational choice theorists, group outcomes are nothing more than the aggregation of individual actions mediated by available information, hierarchy of individual preferences, opportunity costs, and institutional constraints (Friedman and Hechter, 1988). Social capital then becomes "the value of these aspects of social structure to actors as resources that they can use to achieve their (personal) interest" (Coleman, 1988a:s101). With its strong individual orientation, social capital as a collective resource is not adequately addressed from a rational choice perspective. Rather, social capital emerges through structure but is available for use to individuals for their own rational ends (Coleman, 1988a, 1990, 1993b).

Embeddedness theories illustrate the significance of the social structure within which social interaction occurs. Individual behavior is embedded in social relations as the norms and values of a specific social structure influence the actions of both individuals and groups. Within this context, social capital emerges out of social relations that are embedded in on-going structures of interaction. For this reason, social capital then becomes an emergent group property, or structural attribute, rather than an aggregation of individuals' levels of reciprocity. Summarizing the basic proposition of this perspective, Granovetter describes

embeddedness as the formation of a collective conscience, which encourages a social rather than individual basis for individual action (1985).

Linking over- and under-socialized views of individual action, Granovetter further articulates:

A fruitful analysis of human action requires us to avoid the atomization implicit in the theoretical extremes of under- and over-socialized conceptions. Actors do not behave or decide as atoms outside a social context, nor do they adhere slavishly to a script written for them by the particular intersection of social categories that they happen to occupy. Their attempts at purposive action are instead embedded in concrete, ongoing systems of social relations (1985:487).

Reflective of Granovetter's viewpoint, Portes and Sensenbrenner suggest social structure can have negative as well as positive impacts on human actions (1993). In fact, they explicitly warn the collective can contribute to both positive and negative individual and group outcomes by encouraging or stifling behavior (1993). Illustrating an embedded-like approach, Portes and Sensenbrenner define social capital as "expectations for action within a collective that affect the economic goals and goal-seeking behavior of its members, even if these expectations are not oriented toward the economic sphere" (1993:1323).

### *A Critical Perspective of Social Capital*

Regardless of the theoretical perspective adopted, social capital has emerged as a popular multidisciplinary concept that seems to have touched all realms of social science inquiry. Although most authors use the term "social capital" within the capital goods metaphor context to suggest social relations can produce something of value, theoretical imprecision and loose adoption has led to multiple and often ambiguous interpretations and definitions. Summarizing this dilemma, Robison, Schmid, et al. suggest "the term social capital has taken on so many meanings and enlisted to fight so many battles that it is at risk of becoming the ether that fills the universe" (2002:1). Voicing the need to refine social capital's meaning, Castle contends, "unless the social capital concept is used with some precision and in a comparable manner, it will come to have little value as an analytical construct" (1998:623).

Use of the social capital concept by social scientists from diverse backgrounds has prompted the emergence of different applications, interpretations, and definitions. It has been used for a variety of purposes, applied at different levels of abstraction, and employed in theories involving different units of analysis (Portes and Landolt, 2000). Robison, Schmid, et al. summarize the definitional dilemma by noting social capital definitions "lack precision because they have included expressions of its possible uses, where it resides, and how its service capacity can be changed" (2002:2).

Most importantly, Robison, Schmid, et al. assert social capital definitions are not strictly limited to answering the question: What is social capital (2002)? For example, Putnam defines social capital as features of social organizations such as trust, norms, and networks that can improve the efficiency of society by facilitating coordinated actions

(1993a). Using this definition, it often becomes difficult to distinguish social capital dimensions (trust, norms, networks) from what social capital can achieve (e.g., improve efficiency of society by coordinating actions), or where social capital resides (e.g., networks). Coleman presents a similar definitional problem by defining social capital as a variety of different entities (e.g., obligations, expectations, trust, information flows) that share two characteristics – an aspect of social structure and the ability to facilitate actions of individuals within the structure (1990). In essence, this definition combines what social capital is (a variety of structures) with what social capital can achieve (facilitate actions of individual members of the group where the group is defined by some aspect of social structure) (Robison, Schmid, et al., 2002). Accordingly, "once social capital is deconstructed into what it is, where it resides, what it produces (how used), and how it is created, it is clear that 'what it is' is conceptually weak" (Robison, Schmid, et al., 2002). The theoretical integrity of the concept is ultimately threatened as it becomes many things to many people. To resolve definitional shortcomings, Robison, Schmid, et al. suggest its definition be strictly limited to what social capital is (2002).

Robison, Schmid, et al. also warn against the loose adoption of the capital goods metaphor by noting "if what economists have learned about capital is to be useful in new applications, then its use must be limited to those relationships that are most capital-like in character" (2002:2). Economists first conceptualized capital as a commodity "used in the production of other goods and services... a human-made input created to permit increased production in the future" (Smithson, 1982:111). Within this context, capital represents an "accumulation of foregone consumption... an amount saved for later use" (Robison, Schmid, et al., 2002:4).

The capital metaphor has been extended to include human, organizational, cultural, and social capital without extensive criticism. However, Robison, Schmid, et al. provide a reminder that if the capital goods metaphor is to be used to describe social relationships, it must seriously consider the transformative ability of capital to turn one thing into another (2002:). "If people trust each other, honor obligations, follow norms, and befriend others to maximize their own utility, then these things are just additional commodities to be exchanged" (Robison, Schmid, et al., 2002:5).

Robison, Schmid, et al. present a social capital definition that differentiates what social capital is (sympathy) from what it does (potential benefit) and fulfills the capital good metaphor requirements by focusing on the transformative capacity of capital residing in human relationships:

Social capital is a person's or group's sympathy toward another person or group that may produce a potential benefit, advantage, and preferential treatment for another person or group of persons beyond that expected in an exchange relationship (2002:6).

The above definition differentiates what social capital is (sympathy) from what it does (potential benefit, advantage, and preferential treatment for another person or group). Within this context, sympathy is described as an "affinity, association, or relationship between persons or things wherein whatever affects one similarly affects the other" (Robison, Schmid, et al., 2002:6). Sympathy then becomes the focal point and motivational

underpinning because it is "the essential resource required for interpersonal transactions" (Robison, Siles, et al., 2002). Sally similarly asserts "if by social capital we mean those assets grounded in and valuable to social interaction, sympathy again is the essential personal process" (2000:575).

Perhaps more importantly, sympathy produces relationships where self-interest is expanded to incorporate others. That is, the well-being of others for whom we have a sympathetic relationship becomes important to our own well-being. As Cooley suggests, "he whom I imagine without antipathy becomes my brother. If we feel that we must give aid to another, it is because that other lives and strives in our imaginations, and so is a part of ourselves" (1902:115).

### **Social Capital as a Feature of Community**

Bourdieu (1986), Coleman (1988a, 1990, 1993b), and other classical theorists suggested community ties are important because of the benefits they yield to *individuals* through emerging expectations. Eventually, a "subtle transition took place as the concept was exported to other disciplines where social capital became an attribute of the *community itself*" (italics added, Portes and Landolt, 2000:534-535). The conceptual stretch making social capital applicable to communities has not occurred without criticism. As Portes and Landolt clearly assert, there are qualitative differences between social capital that is available to individuals and that which is available to communities (2000). First, the theoretical exportation of the concept from individual to community asset remains riddled with holes. Although sometimes compatible, too often the definition of individual-level social capital is erroneously considered synonymous with community-level social capital. Second, the

concept's value suffers as it is at risk of becoming synonymous with all positive elements of community life for individuals and collectives: "In one sentence, social capital is an asset of intact families; in the next, it is an attribute of networks of traders; and in the following it becomes the explanation of why entire cities are well governed and economically flourishing" (Portes and Landolt, 2000:535). Third, the cause and effects of social capital as a community characteristic lacks explicit differentiation ultimately resulting in flawed circular reasoning. The value of the concept is increasingly associated with virtually all positive aspects of community life. In contrast, individual-level social capital sources are clearly associated with social networks, while effects are linked to material and informational benefit. Fourth, those who study social capital as a collective attribute leave little room for consideration of extraneous causes to account for outcomes (Portes and Landolt, 2000).

Although literature framing it as a collective resource has been criticized for theoretical imprecision, Portes admits "there is nothing intrinsically wrong with redefining it as a structural property of larger aggregates" (1998:21). Social capital is unique from other forms of capital because it is embedded in social relationships, thereby becoming a property of collectives rather than of individuals. However, individuals are able to secure benefit by virtue of membership in social capital rich networks.

Putnam, Coleman, and Bourdieu agree sustained social interactions, social networks, and mutual trust within a community serve as valuable resources. Furthermore, these interactions and networks become a form of community-based capital when they are combined to create collective consequences (Wall et al., 1998). The community-level resource value of social capital is realized when actions occur on behalf of community

interests. As a feature of geographic communities, social capital has been associated with both individual and collective benefits.

Leading efforts to make the conceptual leap, "Putnam made it possible to speak of the 'stock' of social capital possessed by communities and the consequent structural effects on their development" (Portes and Landolt, 2000:535). Since Putnam's original acknowledgement that social capital improves community economic and government efficiency, it has also been shown to reduce crime rates (Sampson, 1997), improve governance (Putnam 1993a; Rice, 2001), encourage civic engagement (Putnam, 1993a; Warner, 1999), promote volunteerism (Rich, 1999; Wilson and Musick, 1997), and facilitate collective action (Agnitsch et al., 2001; Sharp, 1998). Social capital has also been shown to promote community economic vitality by increasing the rate of return on other investments (Burt, 1992, 1997; Flora and Flora, 1993; Flora et al., 1997; Gittel and Thompson, 2001; Putnam, 1993a, 1993b, 2000; Narayan, 1999; Smith, 2002).

Social capital as a community attribute that benefits collectives is theoretically founded in the embeddedness perspective, which suggests the norms of social structure influence the actions of both individuals and collectives. In essence, a collective conscience and solidarity is created that encourages a social rather than individual basis for action. In an applied sense, this perspective suggests that each member of the community benefits from participating on behalf of the community. A contribution to the collective is viewed more as a gift to all. Unlike alternative theories where norms of reciprocity are actively enforced (Blau, 1964; Homans, 1974), repayment of the contribution is not necessarily required or expected. Where bounded solidarity is low, low levels of social capital can be expected. Communities with low social capital are more likely to experience a majority of resident

interactions based on economic relationships. Examples of communities that frequently have low or absent social capital include bedroom communities, central cities, and towns with high in-migration from urban areas (Flora and Flora, 1994). In contrast, "high levels of social capital exist in communities that demonstrate the capability of effectively responding to the interest of public goods" (Ryan et al., 1995:2).

In summary, social capital is embedded within social structure and is available as a resource for community action. As an attribute of geographically bound communities, it emphasizes the "public-good" characteristic of the concept and its ability to produce community benefit (Wallis, 1998). Ryan et al. suggest community social capital exists in the structural patterning of territorial-bound relations and is itself generated as local individuals interact and organizations cooperate with each other (1995). Trust and mutual commitment are both indicators of community-based social capital that enhance a community's ability to act. The ultimate goal is to enable communities to consciously sustain and create social capital for community outcomes. As social capital is utilized, more is created and subsequently more is available for future community initiatives.

Perhaps the most noted study of community-based social capital is Putnam's exploration of Italian communities and regions (1993a). Communities (or regions) with lower levels of social capital (southern Italy) were characterized by lower levels of government efficiency, lower levels of satisfaction with government, and slower rates of economic development than communities with higher levels of social capital (central and northern Italy) (Putnam, 1993a). Residents of areas with low social capital distrusted each other to follow societal rules, and thus were less likely to follow such rules themselves (Putnam, 1993a). Furthermore, elevated levels of distrust created increased demand for law

enforcement, thus substituting increased law enforcement as a physical/manufactured capital for social capital.

### **Dimensions of Social Capital**

A common theme throughout the literature suggests there are numerous interpretations of social capital that differ by level of analysis, academic discipline, and research topic. As Narayan and Pritchett suggest, "social capital, while perhaps not all things to all people, is many things to many people: it is the proverbial elephant felt by the five blind men" (2000:279). Nevertheless, definitions are similar enough to permit communication about shared commonalities. Portes and Landolt propose the most widely accepted definition – "the ability to secure resources by virtue of membership in social networks or larger social structures" (2000:532). In reviewing prominent social capital works, Wall et al. identify shared elements and present the following definition: "the mutual relations, interactions, and networks that emerge among human groups, as well as the level of trust (seen as the outcome of obligations and norms which adhere to the social structure) found within a particular group or community " (1998:304).

Most agree social networks, subsequent reciprocities, and their value for achieving mutual goals are essential to social capital's fundamental description (Schuller, Baron, and Fuller, 2000). With the geographic community as the level of analysis, of particular relevance to this study is Robison, Schmid, et al.'s definition: "Social capital is a person's or group's sympathy toward another person or group that may produce a potential benefit, advantage, and preferential treatment for another person or group of persons beyond that expected in an exchange relationship" (2002:6). Social capital then becomes a socio-

emotional good that is associated or embedded in place (e.g., community, region, or nation), which gives meaning and value to place (Robison, Siles, et al., 2002). Investing in social capital is investing in a socio-emotional good that can produce something of value on behalf of place. Referred to as attachment value, any change in a place's value is due to change in its embedded socio-emotional goods. People share attachment value when they similarly value the socio-emotional goods that are invested in place.

In addition to developing a definition and specifying a level of analysis, social capital dimensions must be identified for measurement purposes (Narayan and Pritchett, 2000). As Wall et al. suggest, social capital is not usually assessed directly as a variable, but is instead operationalized into separate indicators along several levels of analysis. At one level, such as community, several dimensions can be identified. Theorists have made frequent reference to the multiple dimensions by defining it both as the presence of social networks and corresponding consequences such as the emergence of trust, reciprocity, and norms of obligation and expectation. Due to the multidimensionality of community social capital as a theoretical construct, it should be operationalized and measured accordingly (Wall et al., 1998).

There appears to be widespread consensus on the plausibility that community-based social capital can affect community and economic development efforts. Using the embeddedness perspective, operationalization of community-based social capital generally occurs along the two specific dimensions of social networks and network qualities. Specific indicators used to measure these dimensions reflect different elements of community structure and the quality of social networks.

### *Social Networks*

In the social science literature, there is widespread agreement on the significance of social networks at all levels. Social network analysis stresses the importance and implications of relationships between social entities by suggesting "the relational ties between actors are channels for the transfer or flow of material and non-material resources" (Schuller, et al., 2000:19). Within a social structure, networks serve as the tools through which essential information flows. This is critical since the "acquisition of information is costly and always in scarce supply" (Coleman, 1988a:s104).

To clarify, social network analysis incorporates "the contacts, ties, connections, and group attachments which relate one agent to another and so cannot be reduced to the properties of the individual agents themselves" (Scott, 1991:3). This assertion clearly lends support to the argument that social capital is not an attribute of individuals, but rather a function of the relationship between social entities. Although social capital is not an attribute of individuals, both individuals and collectives can benefit from its presence. In essence, the relationship between social entities supports the two forms of social capital distinguished earlier by the benefiting party – individual-based and collective-based social capital.

The importance of social networks to social capital and community well-being has been well documented. Putnam and Coleman agree acquaintanceship networks are a necessary ingredient of community-based social capital. Within a community, networks and acquaintanceship patterns exist between individuals and organizations, and include affiliations, groups, and personal cliques. The structure, type, and quality of networks create the character of the community (Ramsay, 1996). Social networks influence individuals'

decisions to act for collective interests instead of solely self-interest (Oliver, 1984; Marwell et al., 1988).

Freudenburg also notes the importance of acquaintanceship density in communities (1986). Freudenburg found declining social network density in growing communities leads to increased deviance and greater problems in providing care for weaker community members, which ultimately weakens overall community social capital (1986). Similarly, Granovetter suggests the quantity of social networks and the significance of weak ties within the network are important considerations in community social capital (1973).

In overview, social networks are an important component of social capital. Social networks are significant because they "reflect patterns of interaction that structure the availability of members to one another for emotional support, financial assistance, and collective problem-solving" (Seipel, 1996:8-9). Increasing the density, multiplicity, and strength of social ties will likely enhance community social capital. In other words, social capital is higher "when people know more of the other people within the collective, know them in multiple ways or roles, and know them fairly well" (Seipel, 1996:9). In addition to strong horizontal social ties, numerous scholars suggest higher social capital is likely to occur when some members of the collective have weak vertical ties connecting dissimilar groups or persons outside the collective (Gittel and Vidal, 1998; Granovetter, 1973; Narayan, 1999; Woolcock, 1998). Weak vertical ties (e.g., bridging or cross-cutting) connects people across different social groups and subsequently provides access to different information, resources, and opportunities that are not necessarily available within groups.

*Network Qualities: Sympathy and Social Trust*

In addition to the presence of social networks, the quality of networks is also an important dimension of social capital. Sympathy and social trust represent two important qualities that evolve through interpersonal relationships and social interaction. Sympathy has been used as a defining characteristic of social capital representing an "affinity, association, or relationship between persons or things wherein whatever affects one affects the other" (Robison, Schmid, et al., 2002:6). It is a valuable resource because it expands self-interest to include the well-being of others, therefore, establishing the basis for self-interest that also includes collective interest.

To social exchange theorists, trust appears when actors interact to fulfill mutual obligations (Blau, 1964). Norms of reciprocity are created when these interactions are repeated through time. The creation of such norms enhances future interactions and builds greater levels of trust (Kollock, 1994). Many argue that exchange theory does not apply to groups or communities because it was originally intended to account for individual interactions. However, social exchange theory can be linked to collectives when using the embeddedness perspective. Specifically, embeddedness illustrates the significance of social structure in promoting generalized reciprocity and social trust. Individuals are embedded in structures that encourage adherence to norms of reciprocity and social trust. Community social trust generally includes obligations, expectations, and reciprocities.

Regardless of the theoretical debate concerning the origin of social trust, social scientists have consistently noted the significance of mutual trust for groups and communities. As Dasgupta suggests, "trust and a reputation for trustworthiness are rather like knowledge; they are valuable both intrinsically and instrumentally" (2000:334). That is,

trust and reputation are valuable in and of themselves and can also be used to produce something of value. For example, being valued as trustworthy provides a sense of self-worth. In addition, trusting relationships can be used to achieve personal or collective benefit. In similar fashion, social capital has independent value and can be used to achieve positive outcomes.

One of the earliest efforts to articulate the value of trust, Toennies illustrates the significance of reciprocities in his discussion of communities with *gemeinschaft* qualities characterized by traditional and personal relationships (1957:[1887]). Generally, reciprocities exist in *gemeinschaft* relationships creating higher levels of social trust. Specifically, "whenever people live together there is, or develops, some differences and division of enjoyment, which produces a reciprocal relationship between them (such that individuals will mutually direct and serve each other" (Toennies, 1957:[1887]:40-41). In contrast, *gesellschaft* is a way of life characterized by rational, instrumental, and impersonal social relations based upon self-interests that likely do not support social trust.

Fukuyama assigns trust the greatest status in terms of understanding social order, social capital, and economic progress (1995a). Fukuyama defines trust as "the expectation that arises within a community of regular, honest, and cooperative behavior based on commonly shared norms on the part of other members of the community... these communities do not require extensive contractual and legal regulation of their relations because prior moral consensus gives members of the group a basis for mutual trust." (1995a:26). Furthermore, a community's well-being is "conditioned by a single, pervasive, cultural characteristic: the level of trust inherent in the society" and this depends on "the crucible of trust", social capital (Fukuyama, 1995a:7,33). In summary, communities are

more likely to succeed when they are not formed on the basis of explicit rules and regulations, but rather "out of a set of ethical habits and reciprocal moral obligations internalized by each of the community's members" (Fukuyama, 1995a:9).

### **Relationships Matter: Social Capital and Local Development**

Emphasizing the pivotal role of social relationships to the social capital concept, Portes and Landolt suggest the most widely accepted definition of social capital is the "ability to secure resources by virtue of membership in social networks or larger social structures" (2000:532). Suggesting relationships matter, individual behavior is embedded in solid continuing systems of social relations that create a social rather than individual basis for action. Social relationships promote trust and cooperation that ultimately lower transaction costs, thereby making other forms of capital more efficient (e.g., financial, physical, and human capital). In essence, social networks serve as the vessel through which material and non-material resources flow.

When defined as relationships of mutual sympathy (caring) capable of yielding socio-emotional goods, social capital has been shown to provide individual-level economic benefit. Robison and Hanson suggest the influence of relationships can be incorporated into the neoclassical utility maximization model by using social capital coefficients, which model the degree to which a person's well-being is influenced by the well-being of another person, place, or thing (1995). It provides individual-level economic benefit by promoting economic cooperation. Examples of individual-level economic benefit are numerous. Schmid and Robison suggest relationships between economic trading partners affect buying and selling prices, the tolerance of economic risk, and loan approval rates (1995). Robison, Myers, et al.

contend the quality of relationships between farmland sellers and buyers negatively influence sale price (2002). That is, farmland owners sell land at lower prices to friends and good neighbors, but require higher prices from strangers. Social capital relationships have also proven critical to the industrialization of agriculture by influencing contracts between suppliers, processors, and labor (Robison, Schmid, and Barry, 2002). Social capital has also been associated with increases in mean levels of income and decreases in disparity of household income (Robison and Siles, 1999).

In addition to illustrations of individual-level economic influence, social capital as sympathy has also been linked to community and economic development. In hopes of achieving human capital's widespread acceptance, community-based social capital has been introduced as an additional productive asset to be added to the community development toolbox. Human capital embodies investment in education, training, and skills. In principal, it fluctuates with changes in the quality of workforce and can be linked to differential production outcomes. Can community-based social capital achieve the same level of intellectual and applied success? More importantly, "does trust, willingness and capacity to cooperate and coordinate, the habit of contributing to a common effort have a payoff in terms of aggregate productivity" (Solow, 2000:7)? As Solow contends, those who link social capital and community development are "trying to get at something difficult, complicated, and important... It is a dirty job, but someone has to do it" (2000:6).

Those who suggest social capital plays a role in community development generally maintain social capital is but one of many community assets including financial, physical, and human capital. These assets are individually important and work in concert to promote development in communities (Gittell, 1992), states (Osborne, 1988), and nations (Thurow,

1999; Reich, 1999). Within this context, social capital's primary role is to "blend different development assets to the benefit of the broader community" (Gittell and Thompson, 2001:121). Gittell and Thompson go as far as to suggest, "although individuals in poor communities have little financial capital, when aggregated through networks, the social capital that these communities assemble can be powerfully leveraged to accumulate economic and political capital" (2001:122).

The premise behind the social capital and community development link is that interactions between individuals, within communities, and between communities, influence strategies for development, productivity of community assets, risk behavior, and the capacity to make use of new opportunities (Otto, Tirmizi, and Ryan, 2001). In Putnam's words, "social capital enhances the benefits of investment in physical and human capital" (1993a:36). As Schmid and Robison contend, "social capital is like money in the bank... it makes assets more productive and saves costs – besides being valuable in itself" (1995:66).

Theoretical attempts to move beyond general statements to specifically articulate how social capital contributes to local development have been limited. According to Serageldin and Grootaert, existing literature focuses on three areas that detail how social capital benefits collectives (2000). First, relationships, associations, and institutions provide informal and formal frameworks for *sharing information*. Market players are able to make better decisions when they have complete and accurate information. Second, relationships and associations promote *coordination of activities*. Uncoordinated and opportunistic behavior can lead to failure. Groups, organizations, and associations reduce opportunistic behavior by "creating a framework within which individuals interact repeatedly, enhancing trust among members" to discourage economic wrongdoing (Dasgupta, 1988). Third, *collective-decision making* is

beneficial to the "provision of public goods and management of market externalities" (Serageldin and Grootaert, 2000:49). That is, sharing and making collective decisions provides an "incentive for improved coordination in the management of local public goods, increasing productivity for everyone" (Serageldin and Grootaert, 2000:49).

Exploring the relationship between social capital and local development has further distinguished between different forms of social capital and corresponding outcomes. Specifically, Woolcock suggests there are "different types, levels, or dimensions of social capital, different performance outcomes associated with different combinations of these dimensions, and different sets of conditions that support or weaken favorable combinations" (1998:159). Theoretical and methodological contributions supporting various forms of social capital sometimes share common generalities, but are also differentiated in articulation of details.

Woolcock recommends differentiating social capital into two forms, both of which are essential to community and economic development: 1) integration (intra-community ties); and 2) linkage (extra-community ties). Gittel and Vidal similarly argue that both bonding and bridging social capital are necessary for community development. Bonding social capital, or within-group ties, is created by connections between homogenous individuals and groups. In contrast, bridging social capital, or between-group ties, is created by connections between heterogeneous individuals and groups.

Linking to economic opportunity, social cohesion, and power, Narayan also differentiates between crosscutting ties (bridging) and bonding social capital:

Primary group solidarity (bonding social capital) is the foundation on which societies are built. The impact of primary social groups depends on their resources and power. But when power between groups is asymmetrically distributed, it is crosscutting ties, the linkages between social groups, that are critical to both economic opportunity and social cohesion (1999:13).

Although efforts to link social capital to community-level economic benefits may lack the theoretical and empirical precision of social capital's association with individual-level economic benefits (Portes and Landolt, 2000), several studies have attempted to link social capital with community, regional, and national economic performance. Robison, et al. suggest community-based social capital can reduce poverty (2002). Countries with high levels of trust, a social capital dimension, have been shown to benefit through national economic growth and increased economies of scale (Fukuyama, 1995a; Knack and Keefer, 1997). Perhaps the most famous application of social capital to regional economic efficiency is Putnam's suggestion that membership in associations improves political and economic efficiency (1993a).

### *Forms of Social Capital*

Social capital theory suggests social networks provide resources for both individuals and collectives. Although great detail has gone into describing social capital as a resource, less effort has been given to determining the underlying motivation of donors for providing

resources (Portes and Landolt, 2000). As Portes suggests, "to possess social capital, a person must be related to others, and it is those others, not himself, who are the actual source of his advantage" (Portes, 1998:7). In similar fashion, the social networks within a community serve as a resource for individual and community benefits. The motivations of donors to make resources available to others – both as individuals and as communities – is not necessarily consistent across various theoretical perspectives.

When defined as the "ability to secure resources through networks or other social structures", social capital is depicted as a structural attribute available for use to provide something of value (Portes and Landolt, 2000:534). Based on Durkheim ([1893], 1984), Marx and Engels ([1848], 1948), Weber ([1922], 1947), and Simmel's ([1908], 1955) observations of group dynamics, Portes and Landolt suggest social capital originates from four sources that are "distinguished by the presence or absence of overarching structures defining the character of the transaction" (2000:533). Each of the four sources reflect different forms of social capital with divergent views of where social capital originates (source). The alternative forms also have to do with who possesses the social capital (individual or collective) and who benefits from its presence (individual or collective).

A first root of social capital, "reciprocity transactions", is based on the works of Simmel and other exchange theorists (e.g., Blau, Homans) who draw attention to the utilitarian nature of social transactions (Portes and Sensenbrenner, 1993). From this perspective, social life is composed of interpersonal transactions where favors, information, and other resources are exchanged. Within this context, donors provide access to resources with the explicit expectation that they will be fully repaid by recipients in the future.

Through repetitive transactions, obligations and norms of reciprocity develop and accumulate to ultimately create individual-level social capital.

"Enforceable trust", as discussed by Weber, represents the second form of social capital (Portes and Sensenbrenner, 1993). Enforceable trust refers to situations where individuals sacrifice a present desire for collective interests with the self-serving expectation that group membership will eventually provide long-term individual advantage. The motivating force to do so is not the internalization of social norms that value collective well-being, but rather the anticipation of future benefits associated with "good standing" within the group – or, in this study, local community. This too represents a utilitarian viewpoint where individual's actions are not oriented towards another individual, but rather are directed towards the entire community for personal gain. Specifically, "resource transactions are embedded in larger social structures that act as guarantors of full returns to donors from the benefited party or community at large" (Portes and Landolt, 2000:533). The donor provides resources and expects repayment over time from the community – not specific individuals. Trust exists in these situations because obligations are enforceable through the power of community. The community in this case possesses monitoring and sanctioning capabilities to ensure repayment (Portes and Sensenbrenner, 1993).

The third form of social capital is linked to the concept of "value introjection" as initially presented in the classical works of Durkheim. For Durkheim, value introjection is based on the principle of socialization into established beliefs. Durkheim focuses on the moral order underlying economic transactions, or "the noncontractual elements of a contract" that encourage individuals to place community interests before personal interests (1984:162). Consequently, the individual is fulfilled through a commitment to community life with this

commitment ultimately becoming a resource for the community. Value introjection is generally characterized by "granting resources to others out of moral obligation... these gestures are undergirded by values introjected by individuals during the process of socialization" (Portes and Landolt, 2000:533). In essence, the socialization process internalizes norms that make individuals value community well-being and feel an obligation to behave accordingly.

Fourth, the concept of "bounded solidarity" as depicted in Marx and Engel's idea of "class-for-itself" illustrates a class-consciousness that emerges when a class or group is threatened by an external threat or power, which ultimately creates increased community solidarity through emergent collective sentiment (Portes and Sensenbrenner, 1993). Community membership provides individuals access to community resources because resources are granted based on "solidarity with members of the same territorial... community" (Portes and Landolt, 2000:533). Bounded solidarity is not the result of socialization or value introjection, but rather is an emergent product of a collective conscience or shared fate. For this reason, the altruistic actions of individuals are bounded by the limits of their community.

Portes and Landolt's effort to differentiate between these four forms of social capital depicts a larger framework for describing human action and also provides a theoretical foundation for social capital (2000). Specifically, the four forms of social capital fit into two broad categories used to describe human action – altruistic and instrumental rationale. This categorization is also reflective of differences in social capital theory. Instrumentalism, as depicted by simple reciprocity and enforceable trust, presents an undersocialized view of human behavior where repayment for providing resources is expected and enforced.

However, simple reciprocity and enforceable trust differ on how repayment will occur.

Simple reciprocity ensures individuals will reciprocate with repayment on an individual-to-individual basis, while enforceable trust focuses on repayment by the collective or community as a whole. Only in the case of enforceable trust is community-level social capital possible through the aggregation of obligations according to norms of reciprocity that ensure a future return.

The altruistic orientation of bounded solidarity and value introjection places emphasis on community solidarity and the internalization of norms that recognize the community as the motivation for providing resources. The values and norms of the community provide a social rather than individual basis for human action. In effect, it places social interaction and subsequent actions within the context of community. The internalization of norms that value community, whether achieved through socialization processes (e.g., value introjection) or sharing a common fate (e.g., bounded solidarity), becomes the foundation for providing resources to the group. In similar fashion, the embeddedness perspective of social capital focuses on individual behavior as embedded in social relations as the norms and values of a specific structure influence individual behavior. Within this context, social capital is not an aggregation of obligations (as depicted in utilitarian perspectives), but rather an emergent group – or community – property.

The question remains, how does social capital encourage human action for collective or community interest – not self-interest? More importantly, which forms of social capital benefit community? As a rational approach to human action based solely on personal interests, reciprocity transactions does not address community interest or create a basis for community-based social capital. Individuals provide resources for individuals and

repayment is expected from individuals. On the other hand, enforceable trust may provide benefit for community interests and long-term advantage; however, it is based on donors providing resources with the explicit expectation of full return on contributions. While the motivating factor remains self-interest, community-level social capital in this case becomes nothing more than an aggregation of individuals' obligations and expectations. For example, an individual's motivation to join a local civic group may be to establish a reputation as someone who is community-minded. Yet should the community's norms fail to respect those who are community-minded, there will be no payback from the community and therefore no reason to join the group. However, when community-mindedness is respected by others in the community, social capital in the form of enforceable trust is apparent.

Altruistic forms of social capital through value introjection and bounded solidarity place emphasis on the value of the community in and of itself as a motivating force. Both involve conceptualizations of social capital where norms valuing community-interests along with those valuing personal gains become the foundation for providing resources. These norms and values embedded in social structure create a social rather than individual basis for action. Within this context, social capital is not an aggregation of obligations (as depicted in instrumental perspectives), but rather serves as an emergent group property. As Putnam suggests, social capital in this case represents "features of social organization such as networks, norms, and trust, that facilitate coordination and cooperation for *mutual benefit*" (italics added, 1993a:35-36). Bounded solidarity and value introjection represent social capital forms where community-interest is important to an individual's self-interest. For example, residents that voluntarily participate in community clean-up efforts display concern

for a community's physical appearance, which may also increase the value of their personal property.

Illustrating value introjection and bounded solidarity approaches, Robison, Schmid, et al. suggest social capital "is a person's or group's sympathy towards another person or group that may produce a potential benefit, advantage, and preferential treatment for another person or *group of persons* beyond that expected in an exchange relationship" (italics added, 2002:6). Incorporating the notion of sympathy provides explicit support for creating a motivation other than self-interest as the basis for social capital. That is, sympathy creates relationships where the well-being of others becomes important to one's own well-being. In this way, because one can have sympathy regarding the fate of the entire community, the entire community in turn becomes important to one's own well-being.

In summary, both altruistic forms of social capital (i.e., value introjection, bounded solidarity) and one instrumental form (i.e., enforceable trust) lend support for the presence of community-based social capital. Enforceable trust supports community-based social capital because individuals provide resources to the community, but only when they expect future advantage for their contribution. In this case, the community benefits only because it is viewed by individuals as necessary to achieve future personal gain. For value introjection and bounded solidarity, processes of socialization and group solidarity internalize values and norms that encourage individuals to give priority to community interests as well as personal interests. It is these norms and values that support sympathetic relationships that make community well-being a part of personal well-being. In the same way, individual behavior is embedded in social relations where the norms and values of a social structure promote integration of community-interest and self-interest to create a social rather than individual

basis for human action. Within this context, social capital emerges from social relations that are embedded in on-going structures of interaction that support norms and values that promote collective interest. In other words, social capital is characterized by sympathetic relationships where the well-being of the community is important to personal well-being.

The remaining conundrum, and purpose of this study, is to empirically determine whether and how these various forms of community-based social capital affect local development strategies. That is, how does sympathy towards others and norms that integrate collective interest with personal interest influence local development? Do they have consequences for economic and community development? If so, do they influence the adoption of either of strategy?

Returning for a moment to local development, community and economic development represent related, but conceptually distinct local strategies having different orientations. Community development represents a holistic process used to address the total needs of the community. It involves both widespread public participation and increasing the knowledge base of the community. Economic development, on the other hand, targets a community's economic sector to stimulate local economic growth, create job opportunities, and raise local incomes. The extent to which community development principles are adopted in economic development ventures varies from community to community.

### **Generating Hypotheses**

To explore the relationship between community-level social capital (i.e., forms of social capital) and local development (i.e., community and economic development), two general questions are drawn from the prior theoretical discussion. First, does community-

level social capital influence local development? Second, assuming an influence exists, do different forms of social capital influence different development strategies involving both economic and community development? The following hypotheses are generated to empirically address these questions.

### *Forms of Community-Based Social Capital*

As altruistic forms of social capital, bounded solidarity and value introjection share similar characteristics. In both cases, individuals provide resources to the community because the fate of the community itself matters to the individual. In effect, these two forms likely support each other. Accordingly, a positive relationship is expected in a community's level of value introjection and its level of bounded solidarity. In contrast, a community's level of social capital based on enforceable trust is expected to be inversely related to levels of either forms of altruistic-based social capital. The reasoning for this is that communities having high levels of social capital formed by self-interest are less likely to develop either the internalized norms or the solidarity necessary for the two altruistic forms of social capital to appear.

*Hypothesis 1a:* A positive relationship exists between a community's level of value introjection and bounded solidarity.

*Hypothesis 1b:* A negative relationship exists between a community's level of enforceable trust and value introjection.

*Hypothesis 1c:* A negative relationship exists between a community's level of enforceable trust and bounded solidarity.

### ***Community-Based Social Capital as a Predictor of Local Development***

As a process involving both widespread participation and enhancing local knowledge, community development principles are used for the benefit of all residents. In similar fashion, the whole community benefits from resources provided as a result of bounded solidarity and value introjection. In both cases, community-interest is important to personal well-being. Consequently, there is likely a positive association between social capital in the form of bounded solidarity or value introjection and community development.

With emphasis on only the economic domain, local economic development is a targeted process that need not concern total community well-being. For various reasons, participation may be limited to individuals and organizations with vested financial resources and interests including economic development professionals, bankers, local business owners, land developers (e.g., growth machine literature; Jonas and Wilson, 1999; Logan and Molotch, 1987). However, Ryan provides a reminder that incorporation of community development principles (i.e., citizen participation and knowledge generation) encourages broad-based participation and equal distribution of benefits. Nonetheless, the emergence of social capital in the form of enforceable trust has less to do with complete community well-being than with personal pursuits. Through this form, the community is not valued as an independent entity and only benefits from resource provision because individuals view donations as a requirement for future personal gain. Similar to economic development's focus on the economy, the motivation behind enforceable trust are individuals' self-interests.

*Hypothesis 2:* The level of local economic development is determined primarily by a community's level of enforceable trust.

*Hypothesis 3a:* A positive relationship exists between a community's extent of economic development initiatives and citizen participation.

*Hypothesis 3b:* Similarly, a positive relationship exists between a community's extent of economic development activities and information generating activities.

*Hypothesis 4a:* The combination of local economic development initiatives and citizen participation is determined primarily by the community's level of value introjection and bounded solidarity.

*Hypothesis 4b:* Similarly, the combination of local economic development initiatives and information generating activities is determined primarily by a community's level of value introjection and bounded solidarity.

### CHAPTER 3: METHODOLOGY

This study adopts a place-based perspective to define community as a geographically-bound place where individuals live; population parameters include rural communities of 500-10,000 residents. Communities with populations up to 10,000 residents are included because they continue to be characterized by traditional social, cultural, economic, and environmental features that typically distinguish rural settlements from metropolitan centers. Specifically, Iowa communities under 10,000 residents largely remain culturally homogenous, have relatively low-density settlement patterns, and have limited economic diversity beyond agriculture. Rural communities less than 500 residents are excluded because basic services are usually unavailable in these communities and therefore not subject to evaluation – an integral component of the original survey. In addition, communities (population 500-10,000) located adjacent to metropolitan centers are also excluded based on the assumption that they are heavily influenced by the neighboring large city and therefore may not continue to be characterized by traditional rural community characteristics.

Iowa's rural communities have recently experienced challenges similar to agricultural-dependent rural communities across the Midwest. For many, populations continue to erode as residents migrate to urban centers or leave the state entirely. To illustrate, "in 1950 two out of every three residents lived in one of the Iowa's current 89 non-metropolitan counties... fifty years later the population of these counties had actually declined by ten percent, while the ten remaining metropolitan counties experienced an increase of almost 50 percent" (Ryan and Grewe, 1998:4). Iowa's rural communities are also facing economic restructuring as farm income accounts for a dwindling percentage of total

personal income. Specifically, "farm income (in 1950) accounted for 28 percent of Iowa's total personal income;" by 1997 it accounted for only five percent (Ryan and Grewe, 1998:4). In fact, over the past fifty years, "Iowa's growth in total nonfarm income increased more than 12 times faster than the total growth occurring in farm-related incomes" (Ryan and Grewe, 1998:4). Accordingly, due to population loss and shifts in economic activity, fewer residents remain to support the economic and social infrastructure of many Iowa rural communities. While some rural Iowa communities grew between 1980 and 1990, the majority experienced population erosion (U.S. Census Bureau).

### **Population and Sample**

This study uses information obtained from two mail surveys of 99 Iowa communities completed during 1994 and 1997. In 1994, one rural community with a population of 500-10,000 residents was randomly selected from each of Iowa's 99 counties. The 1990 population mean for the selected 99 communities was 1,803 residents with a standard deviation of 1,852 (1990 U.S. Census; Appendix Table 22).

In 1994, surveys were used to determine resident perceptions of local quality of life in the 99 study communities. To collect resident input, mail questionnaires were sent to adults living in randomly selected households in and around selected communities; telephone directories served as the population frame. One hundred and fifty households were selected from each of the 99 communities. Within households, adult heads or co-heads were randomly selected by gender. In situations where the designated gender was not present as a head or co-head, another adult member was requested to complete the questionnaire. Two additional mailings (postcard and letter with replacement questionnaire) were used as follow-

up reminders. Altogether, 10,798 of 14,850 questionnaires were completed and returned yielding an overall response rate of 72 percent. Individual community response rates ranged from 62 to 83 percent (Appendix Table 22). In the forthcoming analysis, residents' responses are aggregated by community to obtain community-level measures of various forms of social capital.

In 1997, a key-informant mail questionnaire survey was conducted to assess local development efforts in the same 99 communities. Telephone interviews were conducted with city clerks to identify potential key-informants across five community sectors including government, business, media, church, and civic organizations. Potential government key-informants included current mayors, ex-mayors, city managers, or city administrators. Business candidates included presidents of local chambers of commerce, prominent local business people, or leaders of economic development organizations. Media key-informants included editors or owners of local newspapers. Potential church key-informants included leaders of the largest local church or those who the city clerk viewed as the "best church leader". Civic organization key-informants included leaders of local civic groups. In most cases, up to five key-informants (one from each sector) were chosen from each community; less than five key-informants were selected in communities absent a specific sector (e.g., no local media). For example, communities with no newspaper were missing a media sector key-informant. Altogether, 345 of 458 key-informant mail questionnaires were completed and returned yielding an overall response rate of 75 percent and a mean of 3.5 key-informants per community. Individual community response rates ranged from 40 percent to 100 percent (Appendix Table 22). Of the total 345 key-informants, 22 percent are government officials, 20 percent are business leaders, 15 percent are newspaper contacts, 21

percent are church leaders, and 22 percent are civic organization leaders. Of the 99 communities, one community had only one key-informant and is subsequently removed from all forthcoming analysis. As was completed for the household resident survey, key-informant survey responses are also aggregated to provide community-level measures of local development efforts. Aggregation method differs according to type of questionnaire item: Items with only binary response categories (e.g., yes or no) were aggregated according to mode. Items with more than two response categories (e.g., Likert scale or count variables) are aggregated according to mean.

### **Resident Questionnaire Design and Indicator Selection**

In the self-administered resident questionnaire, the majority of items asked residents to evaluate local government, local community services, community social character, and overall quality of life. As measures of social capital, questionnaire items are used to assess the presence of three forms of social capital – enforceable trust, value introjection, and bounded solidarity. Multiple items are used to create a single composite indicator of each form (Table 1). A count measure is used to determine a greater propensity of enforceable trust. Principal component analysis is employed to indicate a single factor of value introjection. Similarly, a single factor of bounded solidarity is also created using principal component analysis.

Table 1. Social capital measurement items

Form	Questionnaire Item
Enforceable Trust	ET1. "Some people care a lot about feeling part of the community they live in. For others, the community is not so important. How important is it to you to feel part of the community?" (1 = Very important, 2 = Somewhat important, 3 = Little or no importance)
	ET2. "Considering <i>ALL</i> of the types of the groups and organizations listed above, about how many <i>LOCAL</i> groups in total do you belong to?" _____ groups or organizations
Value Introjection	VI1. "About what proportion of all your close personal adult <i>friends</i> live in <community>?" (1 = I really have no close personal friends, 2 = None of them live here, 3 = Less than one-half of them live here, 4 = About one-half of them live here, 5 = Most of them live here, 6 = All of them live here)
	VI2. "About what proportion of your adult <i>relatives and in-laws</i> (other than very distantly related persons) live in <community>?" (1 = I have no living relatives or in-laws, 2 = None of them live here, 3 = Less than one-half of them live here, 4 = About one-half of them live here, 5 = Most of them live here, 6 = All of them live here)
	VI3. "Your age (as of last birthday)?" _____ years
	VI4. "How long have you lived in the <community> area?" _____ years
Bounded Solidarity	BS1. "Being a resident of <community> is like living with a group of close friends." (1 = Strongly agree, 2 = Agree, 3 = Undecided, 4 = Disagree, 5 = Strongly disagree)
	BS2. "In general, would you say you feel "at home" in <community>?" (1 = Yes, definitely, 2 = Yes, somewhat, 3 = No, not much, 4 = No, definitely not)
	BS3. "Supportive – Indifferent based on 7-point scale where 1= Supportive and 7 = Indifferent and the numbers in between are degrees of supportiveness. Please circle one number which best describes <community>."

As previously noted, enforceable trust represents an instrumental form of community-based social capital created when residents serve the interests of others with the expectation that the community at-large will eventually return the favor. By doing so, contributors demonstrate a trust in the ability of the community to pay back the favor. For example, residents may serve the interests of other residents in an effort to improve their local reputation; they do so expecting that their improved community standing will over time benefit them personally. However, should residents feel that a better reputation has little value in their community (i.e., little trust that payback is forthcoming), they will forgo such actions. While the motivations of such residents are self-serving, the indirect consequence of their actions is a greater stock of community social capital in the form of enforceable trust.

Two questionnaire items are used to create a composite scale for measuring the level of a community's social capital provided through enforceable trust. The first item (ET1) is based on residents' responses to the question "How important is it to you to feel a part of <community>?" Response categories include very important, somewhat important, and of little or no importance. Communities where few residents indicate feeling a part of the community is very important to them are more likely to possess social capital in the form of enforceable trust; this is the case because the community is used as a means of achieving personal ends and therefore has little value in and of itself. The second (ET2) item serves as a measure of residents' community involvement through formal associations. Previous research suggests residents often join local organizations to enhance their local social status (Luloff et al., 1984) and increase their professional contacts for personal gains (Tomeh, 1973). Using this line of reasoning, a large number of local memberships may be a sign of social capital in the form of enforceable trust.

Neither item alone is considered adequate for measuring enforceable trust; their combination, however, provides a composite scale worthy of consideration. The scale is created by calculating the percentage of respondents in each community who indicate that it is no more than somewhat important to feel a part of their community (ET1) and have membership in three or more local organizations (ET2). The reasoning is that the higher the percentage of residents who consider it less important to feel a part of the community yet join numerous local organizations (i.e., three or more), the more likely it is community-based social capital through enforceable trust is generated.

The second form of social capital, value introjection, represents an altruistic type of community-based social capital created when residents serve the interests of public welfare not because of self-serving expectations of future return, but rather because serving community-interests is socially encouraged. In this case, processes of socialization introject values and norms favoring community interests and supporting moral obligations on behalf of individuals to behave accordingly. Within this context, community well-being has importance to individuals beyond that expected for personal gains only. Individuals grant resources to the community not because of explicit expectations of repayment, but rather because they feel a moral obligation to do so. Within this context, the individual is committed to the community, and this commitment becomes a community resource in the form of value introjection. For example, donations to a local United Way campaign are common when residents feel morally compelled to support the community. In this instance, the community experiences social capital because it can depend on members' contributions. As is well-known, excessive emphasis on norm internalization (oversocialization) can lead to cults where personal well-being is completely abandoned in the pursuit of complete

compliance with group expectations and devotion to serving the collective regardless of personal sacrifice.

Socialization processes are key to understanding value introjection as a form of social capital. Socialization is a process through which individuals learn to become members of a community by internalizing local norms and values, and also by learning to perform expected roles. Socialization processes typically occur through personal networks, including friends and family. Consequently, to explore socialization processes that promote community benefit, personal networks are worthy of investigation. Four questionnaire items are used to create a factor score that measures the level of a community-based social capital as provided through value introjection (Table 1). Two items utilize a five-point Likert scale to determine the proportion of close friends (VI1) and family (VI2) that live in the community.

Specifically, respondents are asked "What proportion of your close personal adult friends live in <community>?" (VI1) and "What proportion of your adult relatives and in-laws (other than very distantly related persons) live in <community>?" (VI2). Response categories are identical for both questions and include: 1) I really have no close personal adult friends (or relatives and in-laws); 2) none; 3) less than one-half of them live here; 4) about one-half of them live here; 5) most of them live here; and 6) all of them live here. Communities where a large number of residents indicate many of their friends and family live locally are more likely to experience socialization promoting a moral obligation to the community. In essence, "closed communities" (i.e., those with residents having a majority of their personal networks residing locally) are more likely to experience social capital in the form of value introjection.

In addition to the importance of personal networks, socialization can also be explained as a matter of life experiences. As a lifetime resident, for example, socialization to local values and norms is likely. Communities where many residents have extensive community tenure can be expected to possess large amounts of social capital in the form of value introjection. Community tenure (VI4) divided by age (V15) determines lifetime residency, which is aggregated and calculated as a proportion of all respondents in a community. The assumption therefore is made that value introjection increases in communities as time lived outside the community decreases.

None of the value introjection questionnaire items considered independently provide sufficient measure of value introjection; however, their combination provides a reasonable principal component factor score. The reasoning is that the higher the percentage of residents who have lived in the community most of their lives and have a majority of their personal networks located within the community, the more likely community-based social capital through value introjection is generated. In contrast, value introjection is assumed to decline as the proportion of time away from the community increases and reliance on local personal networks decreases.

A third form of social capital, bounded solidarity, represents another type of altruistic social capital that is created when residents serve public interest because of a group consciousness – or for purposes of this study, a community consciousness. When sharing common circumstances, individuals often identify with each other and support each other's endeavors through a sense of solidarity. Solidarity need not be created through socialization, but rather emerges through a belief in a shared future and common fate. For this reason, the altruistic actions of individuals are bounded by the limits of the community with which they

share a common future. Individuals grant resources to the community out of loyalty to the community and belief in a common fate. For example, residents come to the aid of other residents who are victims of natural disasters (e.g., tornadoes, floods) not necessarily because they are taught – socialized – to do so, but out of their collective identity and shared fate with others.

Three questionnaire items are used to create a factor score to depict a sense of bounded solidarity (Table 1). The first item (BS1) is based on residents' responses to the statement "Being a resident of <community> is like living with a group of close friends." Response categories include strongly agree, agree, undecided, disagree, or strongly disagree. Communities composed of residents who indicate living there is like living with a group of friends more likely possess a higher level of bounded solidarity. In contrast, communities where few suggest living there is like living with friends likely possess lower levels of bounded solidarity. The second questionnaire item (BS2) asks respondents whether they "feel at home in <community>". Response categories include: 1) yes, definitely; 2) yes; 3) no, not much; and 4) no, definitely not. Communities where the majority of residents "feel at home" more likely display higher levels of bounded solidarity than communities with few residents feeling at home. The third item (BS3) utilizes a seven-point semantic-differential scale to determine whether the respondent views the community as supportive, indifferent, or somewhere in between. Similar to the prior two questionnaire items, the rationale is that communities where the majority of residents feel the community is supportive possess higher levels of bounded solidarity.

A combination of all three items provides a principal component factor score to characterize resident solidarity. All three items indicate how comfortable respondents feel

within the community and the extent to which they feel bonded to fellow residents. In essence, responses to all three items indicate whether the community has a shared identity that supports a "we" – or collective – environment. Communities where many respondents feel at home, think living in the community is like living with friends, and feel the community is supportive more likely possess a high level of solidarity.

### **Description of Resident Response Rates**

Resident responses to the above social capital items are collapsed as reported in Table 2. To measure enforceable trust, the 38 percent who consider it very important to feel part of the community are distinguished from the 62 percent indicating it is only somewhat important or has little or no importance (ET1). Likewise, the 71 percent reporting from zero to two local group memberships (ET2) are distinguished from the 29 percent reporting three or more memberships. In overview, a majority suggest it is at most only somewhat important to feel a part of the community, and almost one-third are locally active as measured by membership in at least three groups (Table 2).

Four questionnaire items are included as measures of value introjection. To determine the proportion of a respondent's personal networks that are located within the community, respondents were asked to estimate the proportion of friends (VI1) and family (VI2) that live in the community. The majority (55 percent) suggests at least half of their friends live in the community, while only a minority (24 percent) suggest at least half of their family live in the community. To determine resident tenure, a third variable (tenure) is calculated by dividing age (VI3) by years of residency (VI4). On average, respondents have spent 57 percent of their lifetime in their current community of residence.

**Table 2. Frequency distributions for social capital measurement items**

Item	Response	Frequency
ET1.	"Some people care a lot about feeling part of the community they live in. For others, the community is not so important. How important is it to you to feel part of the community?"	Very Important 38%
		Somewhat important/ Little or no importance 62%
ET2.	"Considering <i>ALL</i> of the types of the groups and organizations listed above, about how many <i>LOCAL</i> groups in total do you belong to?"	0 – 2 Groups 71%
		3 or More Groups 29%
VII.	"About what proportion of your close personal adult <i>friends</i> live in <community>?"	I have no friends/ None of them live here 13%
		Less than ½ live here 32%
		About ½ live here 24%
		Most live here 29%
		All live here 2%
VI2.	"About what proportion of your adult <i>relatives and in-laws</i> (other than very distantly related persons) live in <community>?"	I have no friends/ None of them live here 33%
		Less than ½ live here 43%
		About ½ live here 13%
		Most live here 10%
		All live here 1%
Tenure	Proportion of lifetime spent in <community>.	Tenure/Age Mean = 57% SD = 32%
BS1.	"Being a resident of <community> is like living with a group of close friends."	Strongly Disagree 3%
		Disagree 17%
		Undecided 18%
		Agree 47%
		Strongly Agree 15%
BS2.	"In general, would you say you feel "at home" in <community>?"	No, definitely not 2%
		No, not much 5%
		Yes, somewhat 26%
		Yes, definitely 67%

**Table 2. (continued)**

Item	Response	Frequency
BS3. "Supportive – Indifferent." Based on 7 point scale where 1= Indifferent and 7 = Supportive.	1 Indifferent	2%
	2	4%
	3	8%
	4	23%
	5	21%
	6	27%
	7 Supportive	15%

In overview, respondents have spent the majority of their lifetime in a community, have accumulated the majority of their friends, but only a minority of their family in the community.

As a measure of bounded solidarity, almost everyone suggested they feel "at home" in their community (BS2, 93 percent). Similarly, over half (BS1, 62 percent) indicate living in their community is like living with friends and also suggest their community is supportive (BS3, 63 percent). However, results of the seven-point semantic-differential scale suggest only a minority indicate the community is very supportive as evidenced by only 15 percent in the top category. In overview, respondents indicate attachment to community as evidenced by positive evaluations of community character including comfort level in community, affection towards fellow residents, and general community supportiveness (Table 2).

### **Composite Scales for Social Capital Forms**

Using resident responses to questionnaire items, single composites are developed to indicate each form of social capital in all communities (Appendix Table 23). A composite

variable based on ET1 and ET2 is used to measure each community's propensity for enforceable trust. Specifically, a measure is created as a percent of respondents who indicate it is of somewhat/little/no importance to feel a part of the community yet belong to at least three local groups (ET). The rationale used here is that respondents reporting numerous local group memberships yet do not find it very important to feel a part of the community are contributing to social capital in the form of enforceable trust. As reported in Table 3, 11 percent of all respondents are in this grouping. When aggregated to form a community-level measure, community-based enforceable trust scores range from zero percent to 25 percent with a mean of 11.3 percent and a standard deviation of 4.8 percent (Table 4).

**Table 3. Scale development of social capital forms**

Form	N	Minimum	Maximum	Mean	SD
Enforceable Trust (ET)	10132	-	-	89% / 11%	-
Value Introjection (VI)	10146	-1.99	2.88	0.00	1.00
Bounded Solidarity (BS)	9669	-3.73	1.42	0.00	1.00

**Table 4. Three forms of community-based social capital**

Form	N	Minimum	Maximum	Mean	SD
Enforceable Trust (ET)	98	0.0%	25.0%	11.3%	4.8%
Value Introjection (VI)	98	-1.05	0.54	0.00	0.31
Bounded Solidarity (BS)	98	-0.53	0.47	0.00	0.22

A single measure of value introjection (VI) is created using principal component analysis of the previously discussed questionnaire items (Table 5). The three items combine into a single scale with an alpha reliability of 0.50. One factor (called value introjection) accounts for 56 percent of the variance in the three items. At the individual-level, factor scores range from -1.99 to 2.88 (Table 3). To determine community-based value introjection, individual factor scores are aggregated yielding a community range of -1.05 to 0.54 with a mean of zero and a standard deviation of 0.31 (Table 4).

**Table 5. Summary of value introjection scale**

Form	Item	Factor Score
<i>Value Introjection (VI)</i>	VI1.	0.71
	VI2.	0.75
	VI3.	0.79
Eigenvalue (1 <sup>st</sup> factor):		1.69
Cum. pct. Of variance:		56.25
Reliability:	alpha	0.50

A measure of bounded solidarity is also created using principal component analysis of the three previously discussed questionnaire items (Table 6). The three items combine into a single scale with an alpha reliability of 0.68. A significant factor of bounded solidarity (BS) accounts for 66 percent of the total variance in responses to the three questions. At the individual-level, scores ranged from -3.73 to 1.42 (Table 3). Aggregated to determine community-based bounded solidarity, scores range from -0.53 to 0.47 with a mean of zero and a standard deviation of 0.22 (Table 4).

**Table 6. Summary of bounded solidarity scale**

Form	Item	Factor Score
<i>Bounded Solidarity (BS)</i>	BS1.	0.84
	BS2.	0.81
	BS3.	0.79
Eigenvalue (1 <sup>st</sup> factor):		1.98
Cum. pct. of variance:		66.04
Reliability:	alpha	0.68

### **Key-Informant Questionnaire Design and Indicator Selection**

In 1997, telephone interviews with city clerks from the same 99 Iowa communities were conducted to identify names of key-informants concerning recent civic activities and local development efforts. Key-informants were limited to government officials, business leaders, civic leaders, church leaders, and media (e.g., newspaper) contacts. Self-administered mail questionnaires were subsequently sent to identified key-informants to obtain information concerning community organizations, civic activities, and local development efforts (i.e., community development and economic development). As measures of community and economic development, numerous questionnaire items were included to identify current development projects, local support for development activities, and method of pursuing development.

As previously noted, economic development is a process that targets the economic domain of community by pursuing local economic growth, job opportunities, per capita income, and in favorable cases – equal distribution of resources (Blair, 1995). Economic development strategies may include offering financial incentives, recruiting new employers, expanding local business, building infrastructure to support new business, improving capture

of existing market, and pursuing outside financial assistance. Based on activities like these, eight questionnaire items are used to create a composite scale to measure a community's level of economic development (Table 7). All eight items ask key-informants whether or not (i.e., yes, no, don't know) their community had promoted a specific economic-related activity in the recent past including: 1) creating a committee to recruit new business or industry (ED1); 2) promoting agricultural diversification and locally-owned value-added processing (ED2); 3) taking action to expand local business or industry (ED3); 4) developing an industrial park or industry (ED4); 5) contacting outside industry leaders (ED5); 6) applying for outside financial assistance (i.e., county, state, federal) to attract new business or industry (ED6); 7) applying for outside financial assistance (i.e., county, state, federal) to expand local business (ED7); and 8) seeking corporate investment to expand local business or industry (ED8).

Community development, in contrast, is a more holistic process that incorporates broad-based citizen participation, local capacity building, and equal distribution of resources. These defining characteristics may or may not guide economic development endeavors. Two measurable objectives of the community development process are the amount of local input (i.e., citizen participation) in community endeavors and building local capacity to improve local leaders and residents' ability to address future economic-related concerns. One method of building local capacity is to expand the local knowledge base concerning local development issues. An improved local information base informs community decision making processes and strategy development concerning local development endeavors. With economic development as the overarching concept, these two community development

principles may be adopted by communities and subsequently used to inform economic development efforts to address the interests of all residents.

Five questionnaire items are used to create a composite scale for measuring local citizen participation (Table 7). All five items ask key-informants to indicate whether or not (i.e., yes, no, don't know) their community has undertaken specific activities representative of broad-based citizen participation including: 1) whether the community has held an event to recognize the contribution of citizens to the community (CP1); 2) whether youth participate in community improvement projects (CP2); 3) the existence of a foundation, endowment, or trust that provides financial resources for community or economic development projects (CP3); 4) the existence of a community group that is able to bring diverse groups of people together to address community-wide concerns (CP4); and 5) whether a local church has independently initiated their own community improvement project (CP5).

Four questionnaire items are used to create a scale for measuring local capacity building as indicated by activities that improve the local information base (Table 7). Again, key-informants are asked whether or not (i.e., yes, no, don't know) their community has undertaken each activity including: 1) whether residents had visited other communities to learn about outside community development efforts (IB1); 2) whether a community group has sought outside financial or technical assistance (IB2); 3) whether the community belongs to a State chamber of commerce or downtown development association (IB3); and 4) whether the community belongs to a State industrial development organization (IB4).

**Table 7. Local development measurement items**

Activity	Questionnaire Item
Economic Development	Please indicate whether individuals or groups in <community> have promoted economic activity over the past three years in the following manner:
ED1.	"Organized or rejuvenated a committee to recruit new business." (1 = yes, 2 = no, 3 = don't know)
ED2.	"Promoted or encouraged agricultural diversification, marketing (including farmer's market), or locally owned value-added processing." (1 = yes, 2 = no, 3 = don't know)
ED3.	"Taken action to retain or expand locally-owned business or industry." (1 = yes, 2 = no, 3 = don't know)
ED4.	"Developed an industrial park." (1 = yes, 2 = no, 3 = don't know)
ED5.	"Systematically developed and maintained contact with leaders in industry outside the area." (1 = yes, 2 = no, 3 = don't know)
ED6.	"Applied for financial assistance from county, state, or federal government to attract industry or business." (1 = yes, 2 = no, 3 = don't know)
ED7.	"Applied for financial assistance from county, state, or federal government to expand local business." (1 = yes, 2 = no, 3 = don't know)
ED8.	"Sought investments from corporations or investors outside <community> to expand business or industry." (1 = yes, 2 = no, 3 = don't know)
Citizen Participation	CP1. "Since 1994, has <community> held an event to recognize the contribution of citizens to the community?" (1 = yes, 2 = no, 3 = don't know)
	CP2. "In the past 3 years, has a group of youth contributed to any community improvement project?" (1 = yes, 2 = no, 3 = don't know)

Table 7. (continued)

Activity	Questionnaire Item
	CP3. "Does <community> have a foundation, endowment, or trust that provides financial resources for community or economic development activities?" (1 = yes, 2 = no)
	CP4. "In your opinion, does a local organization or group exist that brings together diverse groups of people in <community> to address community-wide concerns?" (1 = Whole community group does exist, 2 = No whole community group)
	CP5. "Over the past 3 years, please indicate whether any <community> church has initiated their own community improvement project." (1 = yes, 2 = no, 3 = don't know)
Information Base	IB1. "In the past 3 years, has a group from <community> visited another community to learn about its community development efforts?" (1 = yes, 2 = no, 3 = don't know)
	IB2. "In the past 3 years, has a group from <community> gone outside the community to seek financial or technical assistance?" (1 = yes, 2 = no, 3 = don't know)
	IB3. "Does <community> belong to State Chamber of Commerce/Downtown Development association?" (1 = yes, 2 = no, 3 = not sure)
	IB4. "Does <community> belong to State industrial development organization?" (1 = yes, 2 = no, 3 = not sure)

### Description of Key-Informant Response Rates

Key-informant responses are aggregated to provide community-level responses to all items included in the three scales. Individual "don't know" responses are considered missing unless all respondents indicate "don't know"; in that case, a community-level value was not calculated subsequently reducing the total number of communities. The modal response is

used as the community response; affirmative responses are used in the case of a tie (Table 8). Responses to the eight items used to measure economic development suggest the majority of communities have limited economic development activity. Specifically, communities are generally pursuing only new business recruitment (ED1, 59 percent) and local business retention or expansion (ED3, 61 percent). A minority of communities indicate pursuing agricultural diversification (ED2, 44 percent), industrial park development (ED4, 32 percent), fostering outside contact relationships (ED5, 42 percent), seeking outside financial assistance for business recruitment (ED6, 43 percent), and local business expansion (ED7, 42 percent; ED8, 32 percent).

On a more positive note, the majority of communities apply community development principles in local development efforts. For instance, concerning citizen participation items, overwhelming majorities indicate youth have contributed to community improvement projects (CP2, 90 percent) and that a local organization exists that brings diverse groups together (CP4, 87 percent). In addition, 55 percent of communities benefit from financial resources provided by a foundation, endowment, or trusts (CP3); however, less than half of the communities hold events to recognize citizen contributions (CP1, 41 percent) and only a third had a local church initiate a community improvement project (CP5, 37 percent).

Communities also apply community development principles in local development efforts as apparent by knowledge generation activities that improve the local information base. For example, over half suggest a local group has visited another community to learn about community development efforts (IB1, 56%) or to seek financial or technical assistance (IB2, 69%). In contrast, only one-quarter suggest the community belongs to State chamber of commerce (IB3, 26%) or industrial development group (IB4, 29%).

**Table 8. Frequency distributions for local development measurement items**

Item	Frequency	
	No	Yes
ED1. "Organized or rejuvenated a committee to recruit new business."	41%	59%
ED2. "Promoted or encouraged agricultural diversification, marketing (including farmer's market), or locally owned value-added processing."	56%	44%
ED3. "Taken action to retain or expand locally-owned business or industry."	39%	61%
ED4. "Developed an industrial park."	68%	32%
ED5. "Systematically developed and maintained contact with leaders in industry outside the area."	58%	42%
ED6. "Applied for financial assistance from county, state, or federal government to attract industry or business."	57%	43%
ED7. "Applied for financial assistance from county, state, or federal government to expand local business."	58%	42%
ED8. "Sought investments from corporations or investors outside <community> to expand business or industry."	68%	32%
CP1. "Since 1994, has <community> held an event to recognize the contribution of citizens to the community?"	59%	41%
CP2. "In the past 3 years, has a group of youth contributed to any community improvement project?"	10%	90%
CP3. "Does <community> have a foundation, endowment, or trust that provides financial resources for community or economic development activities?"	45%	55%

**Table 8. (continued)**

Item	Frequency	
	No	Yes
CP4. "In your opinion, does a local organization or group exist that brings together diverse groups of people in <community> to address community-wide concerns?"	13%	87%
CP5. "Over the past 3 years, please indicate whether any <community> church has initiated their own community improvement project."	63%	37%
IB1. "In the past 3 years, has a group from <community> visited another community to learn about its community development efforts?"	44%	56%
IB2. "In the past 3 years, has a group from <community> gone outside the community to seek financial or technical assistance?"	31%	69%
IB3. "Does <community> belong to State Chamber of Commerce/Downtown Development association?"	74%	26%
IB4. "Does <community> belong to State industrial development organization?"	71%	29%

### **Local Development Composite Scales**

Modal responses are used to create scales that measure each community's level of economic development and both community development principles – citizen participation and information base (Appendix Table 24). The measure of economic development is created using principal component analysis of the previously discussed economic development items (Table 9). The eight items combine into a single scale with an alpha

reliability of 0.91. A single factor, called economic development (ED), accounts for 61 percent of the variance in the eight items. At the community-level, factor scores range from -1.12 to 1.51 with a mean of zero and standard deviation of one (Table 10).

**Table 9. Summary of economic development scale**

Activity	Item	Factor Score
<i>Economic Development (ED)</i>	ED1.	0.76
	ED2.	0.70
	ED3.	0.72
	ED4.	0.84
	ED5.	0.79
	ED6.	0.87
	ED7.	0.79
	ED8.	0.75
Eigenvalue (1 <sup>st</sup> factor):		4.85
Cum. pct. Of variance:		60.66
Reliability:	Alpha	0.91

**Table 10. Economic development, citizen participation, and information base**

Activity	N	Minimum	Maximum	Mean	SD
Economic Development (ED)	90	-1.12	1.51	0.00	1.00
Citizen Participation (CP)	90	0.00	5.00	3.12	1.22
Information Base (IB)	88	-1.27	1.61	0.00	1.00

Using previously discussed items to measure community development, a single scale of information base building is created using principal component analysis (Table 11). The

four items combine into a single scale with an alpha reliability of .74. A single scale, called information base (IB), accounts for 56 percent of the variance in the four items. At the community-level, factor scores range from -1.27 to 1.61 with a mean of zero and standard deviation of one (Table 10).

**Table 11. Summary of information base scale**

Activity	Item	Factor Score
<i>Information Base (IB)</i>	IB1.	0.80
	IB2.	0.76
	IB3.	0.70
	IB4.	0.75
Eigenvalue (1 <sup>st</sup> factor):		2.26
Cum. pct. Of variance:		56.44
Reliability:	alpha	0.74

Principal component analysis fails to identify a single scale representing citizen participation. Nonetheless, it was considered important to include various venues where citizen participation is found. Consequently, a summative scale (0 - 5) is used to measure a community's propensity of citizen participation (CP). The summative scale incorporates the notion citizen participation can occur through multiple activities. Using the five items in Table 8, a scale is developed indicating that communities, on average, report citizen participation in three of the five activities (Table 10). At the extreme, only two communities indicate no citizen involvement while 12 indicate involvement in all five areas.

In forthcoming analyses, this research utilizes resident survey items as independent variables to measure social capital. Key-informant survey items concerning involvement in

economic development activities and adoption of community development principles (citizen participation and information base) are used as dependent variables. In addition, community population is incorporated as a control variable because it is assumed larger communities likely have access to greater amounts of financial, human, and physical resources than do smaller communities.

## CHAPTER 4: RESULTS

Before testing the relationships between forms of social capital and local development efforts, the associations among the three forms of social capital are determined. As previously noted, while negative associations are expected between the instrumental-based social capital (enforceable trust) and both altruistic forms (value introjection and bounded solidarity), the latter two are expected to be positively related to each other.

As reported in Table 12, value introjection and bounded solidarity as expected are positively associated with each other ( $r = 0.37, p < 0.01$ ). This finding demonstrates the co-existence of both forms of social capital that arise through altruism; communities that experience high levels of social capital created through socialization also possess high levels of social capital based on solidarity, and vice-versa. The remaining two hypothesized associations are not supported. Instead of finding the predicted negative associations between instrumental-based social capital (i.e., enforceable trust) and altruistic-based social capital (i.e., value introjection and bounded solidarity), value introjection is positively associated ( $r = 0.48, p < 0.01$ ) while bounded solidarity is unrelated to this form ( $r = 0.02, n.s.$ ). These results are difficult to explain given the positive association between the two forms of altruistic social capital. Nonetheless, results indicate that a community's level of instrumental-based social capital is connected in a positive fashion to its level of social capital formed through socialization, but has no connection to the level of social capital based on solidarity.

**Table 12. Forms of social capital correlation matrix**

	Enforceable Trust	Value Introjection	Bounded Solidarity
Enforceable Trust	-	0.48 <sup>***</sup> (n=98)	-0.02 (n=98)
Value Introjection	-	-	0.37 <sup>***</sup> (n=98)
Bounded Solidarity	-	-	-

\*\*\* Correlation is significant at the 0.01 level.

The second hypothesis states that a community's level of economic development is determined primarily through its level of social capital created through enforceable trust. Again, this form of social capital is based on the instrumental motivations of individuals and is therefore expected to contribute to single-sector development initiatives. The level of all three forms of social capital are included in the model to test this hypothesis; it also controls for community size based on the assumption that other resources (e.g., financial, human, physical) are more readily available in larger communities.

The overall model accounts for 45 percent of the variance in community-level economic development initiatives ( $F = 17.37$ ,  $p < 0.01$ ). The unique effects reported in Table 13 indicate the predicted significant positive influence of enforceable trust ( $t = 1.66$ ,  $p < 0.10$ ), and also value introjection's significant positive influence ( $t = 1.72$ ,  $p < 0.10$ ) on economic development initiatives. However, the unique variance in economic development that is explained by each form of social capital is only three percent (i.e.,  $0.18^2$ ). As expected, economic development initiatives are also strongly influenced by community size ( $t = 4.46$ ,  $p < 0.01$ ).

**Table 13. Social capital predictors of economic development (n = 89)**

Full Model	Unstandardized Coefficients	Standardized Coefficients	t	Prob.	Partial r
(Constant)	-0.91	-	-3.77	0.00	-
Enforceable Trust	0.00	0.19	1.66	0.10	0.18
Value Introjection	0.59	0.18	1.72	0.09	0.18
Bounded Solidarity	0.22	0.05	0.50	0.62	0.05
Population	0.00	0.47	4.46	0.00	-

$R^2 = 45\%$  ( $F = 17.37$ ;  $p < 0.01$ )

The third hypothesis concerns the type of development activities. As previously discussed, a positive association is expected between the level of a community's economic development initiatives and the extent to which it incorporates community development principles including broad-based citizen participation and knowledge generation (i.e., information base). The reasoning is an expected synergy between the amount of economic development activity initiated by a community and its adoption of community development principles; that is, a greater reliance on community development principles will in turn generate more development activities, and vice-versa. The correlation coefficients in Table 14 provide overall support for the third hypothesis. Economic activities are more prevalent in communities with higher levels of citizen participation ( $r = 0.66$ ,  $p < 0.01$ ), and are more likely to seek knowledge from multiple sources ( $r = 0.72$ ,  $p < 0.01$ ). Although not formally hypothesized, it is also relevant that the two community development principles are positively related to each other ( $r = 0.72$ ,  $p < 0.01$ ). That is, the level of citizen participation is greater in communities that also are involved in more knowledge generation efforts.

**Table 14. Local development correlation matrix**

	Economic Development	Citizen Participation	Information Base
Economic Development	-	0.66 <sup>***</sup> (n=83)	0.72 <sup>***</sup> (n=86)
Citizen Participation	-	-	0.63 <sup>***</sup> (n=82)
Information Base	-	-	-

<sup>\*\*\*</sup> Correlation is significant at the 0.01 level.

With support of the hypothesis detailing the relationship between economic development and community development principles, final substantive hypotheses can be addressed. Again, these hypotheses pertain to the combination of economic development activities and community development principles. It states that the two altruistic forms of social capital positively influence the co-existence of economic development activities and community development through citizen participation and knowledge generation. Stated otherwise, communities with greater amounts of altruistic-based social capital are more likely to adopt community development principles and subsequently have higher levels of economic development initiatives.

To test the fourth hypothesis, indices are created that combine a community's level of economic development with adoption of both community development principles. This is achieved by using principal component analysis to create single scores based on the combination of economic development with both citizen participation and knowledge generation. The indices serve primarily as proxies because they only indirectly measure the use of community development principles in economic development activities; this is done

by measuring levels of both citizen participation and knowledge generation as general characteristics of the community rather than as practices specific to economic development activities. The first scale is created as a principal factor derived when combining the previously developed scales to measure levels of economic development and citizen participation. As reported in Table 15, one factor (called EDCP) accounts for 83 percent of the variance in these two scales ( $\alpha = 0.78$ ). Community scores on this scale range from -2.01 to 1.62 (Table 16). A second scale is created based on communities' levels of economic development and information base (Table 17). Again one factor (called EDIB) is found that accounts for 86 percent of the variance in the two scales ( $\alpha = 0.84$ ). Individual community scores range from -1.28 to 1.71 (Table 16). A third and final scale is created by combining the level of economic development with the levels of both citizen participation and information base. Here too, as reported in Table 18, a single factor is derived (called EDCPIB) accounting for 77 percent of the total variance in all three scales ( $\alpha = 0.85$ ). Community scores on this scale range from -1.87 to 1.72 (Table 16). Again, each of these measures are used as proxies – or indirect accounts – of the synergism found between economic and community development.

**Table 15. Summary of economic development and citizen participation scale (n = 83)**

Activity	Item	Factor Score
<i>EDCP</i>	ED	0.91
	CP	0.91
Eigenvalue (1 <sup>st</sup> factor):		1.66
Cum. Pct. of variance:		82.95
Reliability:		alpha 0.78

**Table 16. Combinations of local development activities**

Activity	N	Minimum	Maximum	Mean	SD
Economic Development/ Citizen Participation (EDCP)	83	-2.01	1.62	0.00	1.00
Economic Development/ Information Base (EDIB)	86	-1.28	1.71	0.00	1.00
Economic Development/ Information Base/ Citizen Participation (EDCPIB)	80	-1.87	1.72	0.00	1.00

**Table 17. Summary of economic development and information base scale (n = 86)**

Activity	Item	Factor Score
<i>EDIB</i>	ED	0.93
	IB	0.93
Eigenvalue (1 <sup>st</sup> factor):		1.72
Cum. Pct. of variance:		85.96
Reliability:		alpha 0.84

**Table 18. Summary of economic development, citizen participation, and information base scale (n = 80)**

Activity	Item	Factor Score
<i>EDCPIB</i>	ED	0.90
	CP	0.86
	IB	0.89
Eigenvalue (1 <sup>st</sup> factor):		2.32
Cum. Pct. of variance:		77.45
Reliability:		alpha 0.85

Three linear regression models determine the unique and combined effects of the three forms of social capital on the various economic and community development combinations. The dependent variable in each case is local development as represented by previously created combinations. Social capital as represented by enforceable trust, value introjection, and bounded solidarity serves as the three independent variables. Population size is included as a control variable to account for variation of other non-social resources.

The first model examines the effects of social capital on the combination of local economic development and citizen participation (i.e., EDCP). The overall model accounts for 43 percent of the variance in EDCP ( $F = 14.78, p < 0.01$ ). Unique effects reported in Table 19 are used to test the hypothesized stronger influence of altruistic social capital. Findings indicate the control variable, population, is the only significant variable in the model, meaning none of the forms of social capital contribute significantly to a community's level of economic development / citizen participation. These results do not support the hypothesized influence of altruistic-based social capital.

**Table 19. Social capital predictors of economic development/citizen participation (n=82)**

Full Model	Unstandardized Coefficients	Standardized Coefficients	T	Prob.	Partial r
(Constant)	-0.96	-	-3.79	0.00	-
Enforceable Trust	0.00	0.16	1.40	0.16	0.16
Value Introjection	0.54	0.14	1.36	0.18	0.15
Bounded Solidarity	0.35	0.08	0.76	0.45	0.09
Population	0.00	0.52	4.55	0.00	-

$R^2 = 43\%$  ( $F = 14.78; p < 0.01$ )

The second model considers the combination of economic development and community development as knowledge generation, or information base (EDIB). In this case, the model including the three forms of social capital and population accounts for 53 percent of the variance in EDIB ( $F = 22.80$ ,  $p < 0.01$ ). When considering their individual effects (Table 20), value introjection as hypothesized is found to have a significant positive influence on the proxy for economic development and information base ( $t = 2.51$ ,  $p = 0.01$ ); however, bounded solidarity does not. The results therefore only partially support the hypothesis. The partial  $r$  indicates seven percent (i.e.,  $0.27^2$ ) of the variance of EDIB left unaccounted for by enforceable trust, bounded solidarity, and the control is explained by value introjection.

**Table 20. Social capital predictors of economic development / information base (n = 85)**

Full Model	Unstandardized Coefficients	Standardized Coefficients	T	Prob.	Partial r
(Constant)	-0.92	-	-4.04	0.00	-
Enforceable Trust	0.00	0.16	1.57	0.12	0.17
Value Introjection	0.83	0.25	2.51	0.01	0.27
Bounded Solidarity	0.00	-0.01	-0.05	0.96	-0.01
Population	0.00	0.52	5.13	0.00	-

$R^2 = 53\%$  ( $F = 22.80$ ;  $p < 0.01$ )

Although not formally hypothesized, the final model accounts for the combined presence of economic development and practices associated with both community development principles (EDCPIB). Modeling the effects of social capital and population size

together accounts for 49 percent of the variance in EDCPIB ( $F = 17.77$ ,  $p < 0.01$ ). Singular significant effects reported in Table 21, however, are limited to population as the control variable ( $t = 4.57$ ,  $p < 0.01$ ) and social capital formed through value introjection ( $t = 1.93$ ,  $p < 0.10$ ). Given the non-significance of bounded solidarity, once again, only partial support is found for the expected positive influence of altruistic-based social capital. The partial  $r$  indicates five percent (i.e.,  $0.22^2$ ) of the variance of EDCPIB left unaccounted for by enforceable trust, bounded solidarity, and the control is explained by value introjection.

**Table 21. Social capital predictors of economic development / citizen participation / information base (n = 79)**

Full Model	Unstandardized Coefficients	Standardized Coefficients	t	Prob.	Partial r
(Constant)	-0.98	-	-4.05	0.00	-
Enforceable Trust	0.00	0.17	1.55	0.13	0.18
Value Introjection	0.77	0.20	1.93	0.06	0.22
Bounded Solidarity	0.00	0.00	-0.03	0.98	0.00
Population	0.00	0.52	4.57	0.00	-

$R^2 = 49\%$  ( $F = 17.77$ ;  $p < 0.01$ )

## CHAPTER 5: CONCLUSIONS

### Summary and Discussion

Community and economic development rely on inputs from and interactions between various forms of capital including financial, physical, environmental, and human capital. Recent discussions have extended the list of local development inputs to also include social capital, which is commonly described as “the ability to secure (other) resources by virtue of membership in social networks or larger social structures” (Portes and Landolt, 2000:532). Although most agree social capital is indeed a resource that resides in the structure of social relationships, some have argued theoretical and methodological clarification have lagged behind the fervent extension of social capital to a wide array of social issues. Of particular concern is level of analysis. The link between community-level social capital and community-level benefits lacks the theoretical and methodological precision of individual-level social capital and associated individual-level outcomes. Especially problematic is the unsubstantiated, but frequently discussed, link between community-based social capital and local development initiatives.

Local development generally includes two complimentary development strategies – community and economic development. Community development represents a holistic process used to address total community needs; economic development focuses exclusively on the economic sector. Benefits of economic development may be limited to private beneficiaries; equal distribution of outcomes is central to community development. With its focus on local capacity building through broad-based citizen participation and improving the local information base, community development is directed toward public interests. These

defining community development principles can guide economic development efforts to improve the likelihood of positive, widespread, and enduring public benefit.

The purpose of this study is to determine whether and how community-level social capital is associated with community and economic development as defined by process – not outcome. Several research objectives are employed to address this issue. First, three forms of community-based social capital are identified including enforceable trust, value introjection, and bounded solidarity (Portes and Landolt, 2000; Portes and Sensenbrenner, 1993). Questionnaire items from a statewide study of communities are used to measure social capital in 98 rural Iowa communities. Second, indicators of community and economic development strategies are created using questionnaire items from interviews with key-informants from the same communities. Third, it is determined whether the three forms of community-level social capital are associated with a community's pursuit of development – both community or economic.

Operationalizing community-based social capital into different forms yields mixed results. Single composites representing community-based social capital forms (i.e., enforceable trust, value introjection, and bounded solidarity) are successfully created, but not all relationships between social capital forms are as expected. As altruistic forms of social capital, value introjection and bounded solidarity are positively related; however, expectations of an inverse relationship between the instrumental form of community-based social capital (enforceable trust) and both altruistic forms remain unfounded. Specifically, enforceable trust and bounded solidarity are unrelated; while enforceable trust and value introjection are positively related.

Findings indicating the positive relationship between instrumental and altruistic forms of community-based social capital present the first conundrum of this study's findings. In theory, the distinction between community-based social capital originating from instrumentalism and community-based social capital originating from altruism provides further differentiation of prior writings which frame social capital as originating from either rational intentions or emerging from social structures. This binary division is further differentiated into three distinct community-based forms - enforceable trust, value introjection, and bounded solidarity (Portes and Landolt, 2000; Portes and Sensenbrenner, 1993). It is logical to assume the two altruistic forms are positively associated with each other and negatively associated with the instrumental form. However, results from this study indicate a positive relationship between enforceable trust and value introjection - the opposite of what was expected.

These findings suggest that although different forms of community-based social capital exist, they do not necessarily occur in isolation of each other. Specifically, interpreting them as ideal types is perhaps problematic. There is reason to believe they are more related than originally theorized by Portes and Sensenbrenner (1993) and Portes and Landolt (2000). For example, an individual may have a variety of reasons for contributing to the collective - some of which may be for self-interest or community-interest. Moreover, the motivating force behind contributing likely depends on either the particular activity or the participants themselves. For instance, natural disasters have been shown to draw large numbers of volunteers willing to contribute on behalf of the community - some of which are not personally affected by the event or do not ordinarily volunteer under normal circumstances. Although purely speculative, perhaps only a minority of individuals

contribute to the community based exclusively on instrumentalist or altruistic intentions.

Similar discussions concerning the relevancy of ideal types for community well-being is well represented by the blurring of other ideal types, including development *in* versus *of* the community, growth versus development, and *gemeinschaft* versus *gesellschaft*.

As previously discussed, community development principles, when followed, can guide economic development to yield positive and widespread outcomes. As logic suggests, community development principles including citizen participation and knowledge generation are positively associated. Findings support their relationship: As citizen participation increases, knowledge generation also increases, and vice versa. More importantly, when considering the relationship between economic and community development, findings indicate economic activity is greater in communities with higher levels of both citizen participation and information generating activities. That is, the greater the adoption of community development principles including widespread public participation and knowledge generation, the more economic development activity that occurs. This supports the notion that adoption of community development principles builds local capacity that ultimately broadens a community's economic development activities.

Substantive research questions addressed in this study explore the relationship between forms of community-based social capital and local development. Forms of community-based social capital are used to predict local economic development initiatives with and without the incorporation of community development principles, including citizen participation and knowledge generation. First, economic development considered alone is positively influenced by both enforceable trust and value introjection, but not bounded solidarity. Second, neither altruistic form of social capital (i.e., value introjection, bounded

solidarity) is found to influence the co-mingling of economic development and citizen participation. Third, value introjection has a positive influence on economic development and knowledge generation, while bounded solidarity has no effect. Fourth, the combination of economic development, citizen participation, and knowledge generation activities are positively influenced by only value introjection.

In summary, enforceable trust as a form of community-level social capital based on self-interest is found to significantly impact economic development activities. When considering predictors of economic development with the presence of community development principles, value introjection is more often a significant than nonsignificant factor, and bounded solidarity is never a significant variable.

This raises an interesting issue: If both value introjection and bounded solidarity share altruistic origins, why does one (i.e., value introjection) influence local development activities while the other (i.e., bounded solidarity) does not? Perhaps not all forms of community-based social capital are equally relevant to local development efforts. Although findings indicate bounded solidarity's presence, perhaps it is ineffective in influencing local development. That is, a sense of solidarity created through shared adversity or a common fate may be ineffective when it comes to contributing to economic development with or without the incorporation of community development principles. In contrast, processes of socialization that encourage a moral obligation to the community (i.e., value introjection) consistently influences economic development with or without the incorporation of community development principles.

In summary, although community-based social capital as a whole accounts for economic development and the incorporation of community development principles, results

for individual forms of social capital are not as consistent. This presents an interesting question: If community-level social capital as a whole is important for predicting different combinations of local development (i.e., economic development activities, citizen participation, knowledge generation), why are results less consistent when considering specific forms of social capital? Again, perhaps theoretical discussions that present forms of social capital as ideal types are not an accurate portrayal of reality. They likely do not occur as independent extremes, but rather are located on a continuum with instrumentalism and altruism serving as polar extremes of motivating factors encouraging individuals to contribute to the collective. Or perhaps only certain forms contribute to local development as evidenced by value introjections consistent significance and bounded solidarity's consistent nonsignificance. Further research using more refined measures is needed to address these issues.

### **Implications for Theory, Research, and Local Development Practice**

Regardless of inconsistent findings concerning specific forms of community-based social capital, it is apparent community-based social capital as a whole impacts local economic development with or without the incorporation of community development principles (i.e., citizen participation, knowledge generation). Significant findings and also lack of significant findings have implications for theory, research, and local development practice.

Despite methodological shortcomings, findings support the theoretical suggestion that community-based social capital is significant to local development. However, inconsistent findings concerning the differentiation of community-based social capital into distinct forms

provides reminder that theoretical concepts presented as ideal types need not reflect reality. Instead of a discrete three-way split of community-based social capital, different forms of community based social capital likely coexist. Furthermore, forms of community-based social capital likely exist on a continuum with instrumentalism and altruism serving as the polar extremes of forces motivating individuals to contribute to community well-being.

A related theoretical implication not formally tested in this study involves the importance of qualitative elements associated with community-based social capital - namely the existence and distinction of sympathy and trust. As discussed in Chapter 2, sympathy defined as an affinity towards others that makes their well-being important to self well-being, provides the foundation for framing value introjection and bounded solidarity as altruistic forms of social capital. In both situations, *sympathy* towards others integrates community interest with self-interest. A second often cited qualitative dimension of social capital is mutual trust. Arguably trust is likely most relevant to community-based social capital as enforceable trust, which portrays individuals as contributing to the community because they *trust* the community will repay the favor.

Although significant strides have been made in the conceptualization of community-based social capital, community-based social capital theory is still plagued by disconnected theoretical concepts. In particular, there is little discussion that directly links community-based social capital origins and qualitative dimensions. Portes and Landolt (2000) present forms of community-based social capital distinguished by source, but fail to address its emotional aspect - namely, sympathy. Robison, Schmid, et al., in contrast, provide detailed discussion of sympathy as the theoretical underpinning of social capital, but fail to discuss it as a community-level variable (2002).

Although this study attempts to link these ideas, the issue deserves further theoretical elaboration. Perhaps linking community-based social capital sources to the qualitative dimensions of relationships is a matter of distinguishing between generating community-based social capital versus its maintenance. That is, community-based social capital may originate primarily from processes of socialization, rational calculation of self-interest, and belief in a shared fate. Social trust is perhaps the affective element associated with these processes. Sentiments, in contrast, makes the community valuable in and of itself and more likely is important for maintaining community-based social capital. In essence, without an emotional attachment to community (i.e., sympathy), socialization processes or notions of a shared future are unlikely to sustain community-based social capital indefinitely. Alternatively, perhaps community-based social capital originates as instrumental forms, but evolves to incorporate altruistic characteristics as individuals become emotionally attached to community (i.e., develop sympathy) and embedded in local networks through time.

Methodological implications for measuring community-based social capital are numerous. Of course there are the typical criticisms - lack of sufficient operationalization, tautological reasoning, methodological imprecision. Keeping to the focus of this study - studying the relationship between community-based social capital and local development - the substantive issue becomes a matter of prediction. Limited by cross-sectional data, this study only addresses correlations and associations; it is unable to assess causal direction empirically. For example, although enforceable trust is found to be positively associated with economic development activities, it may not necessarily cause economic development activities. Future studies should incorporate path analysis and/or longitudinal data to assess for causal direction.

The largest contribution this study offers is verification that community-based social capital influences local development efforts. Consequently, social capital offers areas of considerable potential for community and economic development practice regardless of current theoretical or empirical challenges. However, with improved theoretical clarification and measurement precision, social capital can be more readily incorporated in local development efforts alongside financial, physical, human, and environmental capital. In fact, Ryan et al. note social capital is often overlooked in community development efforts for reasons of measurement (1995). If social capital is further developed as a quantifiable concept, it will be more easily measured and applied as a resource with relevancy to community and economic development efforts.

Nonetheless, community-based social capital serves as an instrument for initiating discussions on the social composition of communities and its relevance to local development efforts. Community-based social capital advocates for the incorporation of broad-based citizen participation in community decision-making processes. More importantly, community-based social capital spurs discussions on how to improve the quality of people's lives and the sustainability of their communities.

Regardless of debate concerning social capital's current theoretical and methodological status, it has captured the imaginations of academic and applied audiences and energized discussions concerning the tangible causes and consequences of social change. It appears to have unlimited potential as an interdisciplinary concept that has the ability to address multiple social issues. As an empirical concept, the legacy of social capital for academic and applied purposes will depend on future theoretical and methodological

clarification. Rae provides timely and appropriate concluding commentary linking social capital to broader academic issues and alluding to its future:

Ideas become important not because scholars and intellectuals invent them, but because, once invented, they happen to answer to the pressing demands of a historical period. Most ideas emanating from the academy never become important, because they answer to nothing more forceful than the isolated mattering of a specialty journal. Some other notions – peace, freedom, justice – have answered the call in so many periods they seem ahistorical, worn smooth like pebbles after a billion turns in the surf. Social capital is very different; a jagged stone hewn from a cliff is only yesterday in historical time (2002:X1).

**APPENDIX A. RDI RESIDENT SURVEY INSTRUMENT**

***[City], Iowa:  
A Community Study***



**[City] Community Study**

**I. Place of Residence**

*The first set of questions is about where you now live and where you've lived in the past.*

**A. Where do you live? (Circle your answer.)**

1. Within city limits
2. Outside city limits of [City], on a farm
3. Outside city limits of [City], not on a farm

**B. How many miles do you live from [City]? \_\_\_\_\_ miles**

**C. What community other than [City] do you live closest to?**  
\_\_\_\_\_

**D. How many miles do you live from this community? \_\_\_\_\_ miles**

**E. Have you ever lived in or around (that is, on a farm or rural nonfarm) the following sized communities? (Circle your answers.)**

	<u>Yes</u>	<u>No</u>
a. Less than 500 population .....	1	2
b. 500-2,499 population.....	1	2
c. 2,500-9,999 population.....	1	2
d. 10,000-49,999 population.....	1	2
e. 50,000 to 249,999 population .....	1	2
f. 250,000 or more.....	1	2

**F. People have different reasons for living in a particular community. Circle the THREE MOST IMPORTANT reasons why you live in [City]. (Circle three only.)**

1. Grew up there
2. Close to relatives/in-laws
3. Friendliness of people
4. Close to job
5. Affordable housing
6. Scenic area
7. Safe area
8. Strong school system
9. Medical services available
10. Good leadership
11. Low property taxes
12. Can't afford to leave
13. Take care of aging relatives
14. Other (Specify) \_\_\_\_\_
15. Other (Specify) \_\_\_\_\_

**II. Community Services and Facilities**

**A. Please rate the overall quality of services and facilities located in [City].**

- 1. Very good
- 2. Good
- 3. Fair
- 4. Poor
- 5. Don't know

**B. Please rate each of the following services/facilities by circling the appropriate numbers. Circle 8 if a particular service is not available in [City].**

	<u>Very Good</u>	<u>Good</u>	<u>Fair</u>	<u>Poor</u>	<u>Don't Know</u>	<u>Not Available</u>
a. Jobs.....	1	2	3	3	4	8
b. Medical services .....	1	2	3	3	4	8
c. Public schools.....	1	2	3	3	4	8
d. Shopping facilities.....	1	2	3	3	4	8
e. Adequate housing .....	1	2	3	3	4	8
f. Recreation/entertainment .....	1	2	3	3	4	8
g. Child care services.....	1	2	3	3	4	8
h. Senior citizen programs .	1	2	3	3	4	8
i. Programs for youth .....	1	2	3	3	4	8

**C. Do you stay MOSTLY IN YOUR HOME COMMUNITY to acquire the following services, or do you go MOSTLY OUTSIDE OF YOUR HOME COMMUNITY? Please circle the appropriate numbers for each of the services.**

	<u>Mostly In Home Community</u>	<u>Mostly Outside Home Community</u>	<u>Do Not Use/ Purchase</u>
a. Primary health care.....	1	2	3
b. Specialized health care .....	1	2	3
c. Shopping for daily needs.....	1	2	3
d. Shopping for "big ticket" items	1	2	3
e. Recreation/entertainment.....	1	2	3
f. Church .....	1	2	3

**D. Please rate the following GOVERNMENT services available in [City].**

<u>Government Services</u>	<u>Very Good</u>	<u>Good</u>	<u>Fair</u>	<u>Poor</u>	<u>Don't Know</u>	<u>Do Not Receive Service</u>
a. Police protection .....	1	2	3	4	5	8
b. Condition of streets .....	1	2	3	4	5	8
c. Condition of parks .....	1	2	3	4	5	8
d. Water .....	1	2	3	4	5	8
e. Fire protection .....	1	2	3	4	5	8
f. Garbage collection .....	1	2	3	4	5	8
g. Emergency response service	1	2	3	4	5	8

**E. How would you rate the overall quality of GOVERNMENT services in [City]?**

- 1. Very good
- 4. Poor
- 2. Good
- 5. Don't know
- 3. Fair

**F. Here is a list of things people have said may pose a threat to the future of small communities. Please indicate if you feel each of the following DOESN'T THREATEN, SOMEWHAT THREATENS or SEVERELY THREATENS the future of [City].**

	<u>Doesn't Threaten</u>	<u>Somewhat Threatens</u>	<u>Severely Threatens</u>	<u>Don't Know</u>
a. Lack of jobs.....	1	2	3	4
b. Quality of schools.....	1	2	3	4
c. Increase in crime.....	1	2	3	4
d. Increase in the number of single parent families.....	1	2	3	4
e. Loss of family farms.....	1	2	3	4
f. Closing of small businesses .....	1	2	3	4
g. Indifference about the community .....	1	2	3	4
h. Lack of leadership.....	1	2	3	4
i. Failure of people to work together .....	1	2	3	4
j. Loss of community spirit.....	1	2	3	4
k. Increase in number of homes where both parents work outside the home.....	1	2	3	4
l. People moving out of the community ....	1	2	3	4
m. People moving into the community .....	1	2	3	4

**III. Attitudes About Community**

**A. Rate [City] as a place to live by indicating whether you AGREE or DISAGREE with the following statements by circling the appropriate numbers.**

	<u>Strongly Agree</u>	<u>Agree</u>	<u>Undecided</u>	<u>Disagree</u>	<u>Strongly Disagree</u>
a. Most everyone in [City] is allowed to contribute to local governmental affairs if they want to.....	1	2	3	4	5
b. Being a resident of [City] is like living with a group of close friends.....	1	2	3	4	5
c. When something needs to get done in on, the whole community usually gets behind it .....	1	2	3	4	5
d. If you do not look out for yourself, no one else in [City] will .....	1	2	3	4	5
e. I am trusted by the people in [City] who know me .....	1	2	3	4	5
f. Community clubs and organizations are interested in what is best for all residents .....	1	2	3	4	5
g. Residents in [City] are receptive to new residents taking leadership positions.....	1	2	3	4	5
h. If I feel like just talking, I usually can find someone in [City] to talk to.....	1	2	3	4	5
i. If I had an emergency, even people I don't know would help out .....	1	2	3	4	5
j. People living in [City] are willing to accept people from different racial and ethnic groups.....	1	2	3	4	5
k. I think that "every person for themselves" is a good description of how people in [City] act .....	1	2	3	4	5
l. Differences of opinion on public issues are avoided at all costs in [City] .....	1	2	3	4	5
m. If I called a city office here with a complaint, I would likely get a quick response .....	1	2	3	4	5
n. Overall, [City] has more things going for it than other communities of similar size.....	1	2	3	4	5

**B. About what proportion of the adults living in [City] would you say you know by name?**

1. None or very few of them
2. Less than half of them
3. About half of them
4. Most of them
5. All of them

**C. About what proportion of all your close personal adult friends live in [City]?**

1. I really have no close personal friends
2. None of them live here
3. Less than one-half of them live here
4. About one-half of them live here
5. Most of them live here
6. All of them live here

**D. About what proportion of your adult relatives and in-laws (other than very distantly related persons) live in [City]?**

1. I have no living relatives or in-laws
2. None of them live here
3. Less than one-half of them live here
4. About one-half of them live here
5. Most of them live here
6. All of them live here

**E. In general, do you prefer communities where people feel comfortable dropping in on each other without notice, or where they wait for an invitation before visiting, or where people pretty much go their own way with little contact with each other?**

1. Drop in without notice
2. Wait for an invitation
3. Go their own way

**F. What about [City]? Would you describe it as a community where people feel comfortable dropping in on each other without notice, or where they wait for an invitation before visiting, or where people pretty much go their own way with little contact with each other?**

1. Drop in without notice
2. Wait for an invitation
3. Go their own way

- G. Some people care a lot about feeling part of the community they live in. For others, the community is not so important. How important is it to you to feel part of the community?**
1. Very important
  2. Somewhat important
  3. Little or no importance
- H. During the past year, have you participated in any community improvement project in [City] such as a volunteer project or fund-raising effort?**
1. Yes
  2. No
  3. Don't know/Uncertain
- I. In general, how would you describe your level of involvement in local community improvement activities and events?**
1. Very active
  2. Somewhat active
  3. Not very active
  4. Not at all active
- J. How interested are you in knowing what goes on in [City]?**
1. Very interested
  2. Somewhat interested
  3. Neither interested nor disinterested
  4. Not interested
- K. In general, would you say you feel "at home" in [City]?**
1. Yes, definitely
  2. Yes, somewhat
  3. No, not much
  4. No, definitely not
- L. Suppose that for some reason you had to move away from [City]? How sorry or pleased would you be to leave?**
1. Very sorry to leave
  2. Somewhat sorry to leave
  3. It wouldn't make any difference one way or the other
  4. Somewhat pleased to leave
  5. Very pleased to leave

**IV. Describing Your Community**

**A. Imagine a scale for each pair of words listed below. For the first pair, 1 on the scale indicates totally friendly and 7 indicates totally unfriendly. The numbers in between (2, 3, 4, 5 and 6) are degrees of friendliness. For each pair of words, please circle one number which *best describes* [City].**

Friendly	1	2	3	4	5	6	7	Unfriendly
Dangerous	1	2	3	4	5	6	7	Safe
Supportive	1	2	3	4	5	6	7	Indifferent
Exciting	1	2	3	4	5	6	7	Boring
Prejudiced	1	2	3	4	5	6	7	Tolerant
Rejecting of new ideas	1	2	3	4	5	6	7	Open to new ideas
Trusting	1	2	3	4	5	6	7	Not trusting
Well-kept	1	2	3	4	5	6	7	Run down

**V. Neighborhood**

**A. How many years have you lived in your present neighborhood? \_\_\_\_\_ years**

**B. In the next set of questions, please indicate whether you AGREE or DISAGREE with each of the following statements about your NEIGHBORHOOD.**

	<u>Strongly Agree</u>	<u>Agree</u>	<u>Undecided</u>	<u>Disagree</u>	<u>Strongly Disagree</u>
a. I can always count on my neighbors when I need help.....	1	2	3	4	5
b. I don't have time to visit with my neighbors .....	1	2	3	4	5
c. My neighbors can always count on me when they need help .....	1	2	3	4	5
d. Our neighborhood is closely knit.....	1	2	3	5	5
e. Compared to other sections of [City], my neighbors have more trust in each other ...	1	2	3	4	5

**C. Suppose that for some reason you had to move from your NEIGHBORHOOD into another section of [City]. How would you feel?**

1. Very sorry to leave
2. Somewhat sorry to leave
3. Would make no difference one way or the other
4. Somewhat pleased to leave
5. Very pleased to leave

**VI. Organization and Group Memberships**

**A. How involved are you in LOCAL groups and organizations, that is, those that hold meetings and activities in [City]? Please circle '1' if you are not involved with a particular type of group. If you do belong to any of the organizations in a category, please circle the number that indicates your level of attendance.**

	Do Not Belong	Belong: Level of Attendance?				
		Never	1-5 Times A Year	6-10 Times A Year	Once A Month	Weekly or More
a. Service and fraternal organizations (such as Lions, Kiwanis, Eastern Star).....	1	2	3	4	5	6
b. Recreational groups (softball, bowling, card clubs) .....	1	2	3	4	5	6
c. Political and civic groups (PTA, PEO, historical groups, local development organizations) .....	1	2	3	4	5	6
d. Job-related organizations (labor unions, professional associations)	1	2	3	4	5	6
e. Church-related groups (church committees, Bible study groups) ..	1	2	3	4	5	6
f. All other groups and organizations	1	2	3	4	5	6

**B. Considering ALL of the types of groups and organizations listed above, about how many LOCAL groups in total do you belong to? \_\_\_\_\_ groups/organizations**

**C. About how many organizations that hold meetings OUTSIDE of [City] do you belong to? \_\_\_\_\_ groups/organizations**

**D. Considering your TOTAL involvement with organizations, would you say you are more involved with LOCAL ones or those OUTSIDE of [City]?**

1. More involved locally
2. More involved outside community
3. About the same
4. Don't belong to any

**VII. Background Questions**

*Finally, we need to ask a few questions about your background and past experiences. This information, as with all information provided in this survey, will be used for statistical analysis only and will remain strictly confidential.*

- A. Your age (as of last birthday)? \_\_\_\_\_ years**
- B. Your sex?**
1. Male
  2. Female
- C. What is your current marital status?**
1. Married
  2. Divorced/Separated
  3. Never married
  4. Widowed
- D. How long have you lived in the [City] area? \_\_\_\_\_ years**
- E. Have you ever lived elsewhere?**
1. Yes
  2. No
- F. Do you own or rent your current residence?**
1. Own
  2. Rent
  3. Have some other arrangement
- G. How many people, including yourself, live in your household? \_\_\_\_\_ persons**
- H. How many of the people living in your household are under 18 years of age? (Write in "0" if none)  
\_\_\_\_\_ persons**
- I. Your highest level of formal education attained?**
1. Less than 9th grade
  2. 9th to 12 grade, no diploma
  3. High school graduate (includes equivalency)
  4. Some college, no degree
  5. Associate degree
  6. Bachelors degree
  7. Graduate or professional degree

**J. Your present employment status?**

1. Employed or self-employed on a **full-time** basis
2. Employed or self-employed on a **part-time** basis
3. Retired
4. Full-time homemaker
5. Student
6. Unemployed

**Please list your primary occupation**

Occupation \_\_\_\_\_

Community where employed \_\_\_\_\_

Miles traveled to work (one-way) \_\_\_\_\_ miles

List second occupation (if any) \_\_\_\_\_

**Overall satisfaction with your present employment situation (circle your answer)**

1. Very satisfied
2. Somewhat satisfied
3. Somewhat dissatisfied
4. Very dissatisfied

**K. To be answered if you are presently married:****What is your spouse's present employment status?**

1. Employed or self-employed on a **full-time** basis
2. Employed or self-employed on a **part-time** basis
3. Retired
4. Full-time homemaker
5. Student
6. Unemployed
- No Answer

**Please list his/her primary occupation**

Occupation \_\_\_\_\_

Community where employed \_\_\_\_\_

Miles traveled to work (one-way) \_\_\_\_\_ miles

**L. What was your approximate gross household income from all sources, before taxes, for 1993?**

- |                    |                     |
|--------------------|---------------------|
| 1. \$9,999 or less | 5. \$40,000-49,999  |
| 2. \$10,000-19,999 | 6. \$50,000-59,999  |
| 3. \$20,000-29,999 | 7. \$60,000-74,999  |
| 4. \$30,000-39,999 | 8. \$75,000 or more |
|                    | No Answer           |

**Thanks for your cooperation!!!****If you have any additional comments, please use the back page.**

**APPENDIX B. NRI KEY-INFORMANT SURVEY INSTRUMENT**

# A Survey of Community Development in «City»



**I. Community Spaces and Recreation**

**A. How would you rate the following “spaces” in «City» that are available for use by local residents? Circle 8 if a particular facility is not available in «City».**

	<u>Very Good</u>	<u>Good</u>	<u>Fair</u>	<u>Poor</u>	<u>Not Available</u>
a. Outdoor adult recreation space (softball, parks) ..	1	2	3	4	8
b. Indoor recreation or social event space .....	1	2	3	4	8
c. Senior Citizen Center .....	1	2	3	4	8
d. Community Center for meetings.....	1	2	3	4	8
e. Meeting space in city offices .....	1	2	3	4	8
f. Formal meeting space in local restaurants or other businesses .....	1	2	3	4	8
g. Restaurants/coffee shops for informal meetings .	1	2	3	4	8

**B. What kinds of recreational or social opportunities exist within «City»?**

	<u>Recreational/Social Activities</u>		
	<u>Yes</u>	<u>No</u>	<u>Don't Know</u>
a. Local adult softball team(s) .....	1	2	3
b. Local adult volleyball or basketball team(s) .....	1	2	3
c. Community dances (at private or public locations) .....	1	2	3
d. Art or cultural events occasionally held in the community...	1	2	3
e. Weekly or monthly Farmer's Market during growing season .....	1	2	3

**II. Government Processes**

**A. Does «City» have any of the following plans or ordinances? IF YES, please indicate the year of the most recent draft AND whether the plan has been used to guide decision-making?**

	<u>Yes</u>	<u>No</u>	<u>Don't Know</u>	<u>Most recent draft</u>	<u>Used for making decisions?</u>	
a. Comprehensive Plan.....	1	2	3	19____	Yes	No
b. Economic Development Plan.....	1	2	3	19____	Yes	No
c. Zoning ordinance .....	1	2	3	19____	Yes	No
d. Strategic Plan .....	1	2	3	19____	Yes	No
e. Other plan (describe):.....	1	2	3	19____	Yes	No

**B. How much influence do citizens have on the outcomes of the following issues?**

	<u>No Influence</u>	<u>Some influence</u>	<u>Great Influence</u>	<u>Don't Know</u>
a. Planning and zoning decisions .....	1	2	3	8
b. Economic development/industrial recruitment .....	1	2	3	8
c. «City» taxes and budgets .....	1	2	3	8
d. Changes in public services .....	1	2	3	8

**III. Local Newspaper**

**A. Does the community have a newspaper which reports «City» news? (Include weekly publications.)**

1. Yes, the newspaper(s) is : \_\_\_\_\_
2. No, there is no local or regional paper which reports «City» news.

**IV. Community Celebrations, Awards and Events**

**A. Has there been any community-wide event since 1994 to celebrate the community's history, people, or some other aspect of «City»?**

1. No (if no, go to question IV.C)
2. Yes

**B. IF YES, please identify all annual celebrations and special events that have occurred since 1994.**

<u>Event</u>	<u>Sponsoring Organization</u>	<u>Frequency</u>
1. _____	_____	Annual One-time
2. _____	_____	Annual One-time
3. _____	_____	Annual One-time

**C. Since 1994, has «City» held or participated in the following activities? IF YES, please identify the name of the event or competition.**

	<u>Yes</u>	<u>No</u>	<u>Don't Know</u>	<u>Name of Event</u>
a. Participated in a <b>state or national</b> program designed to recognize community achievements?..	1	2	3	_____
b. Held an event to recognize the contributions of citizens to the community? .....	1	2	3	_____
c. Held a community-wide clean-up activity? .....	1	2	3	_____

**V. Recent Community Issue**

**A. Since 1994, what ONE local issue can you recall where there were different points of view expressed and significant discussion took place? (Examples: annexation, school controversies, landfill siting, zoning changes, bond issues, taxation, economic development issues)**

1. No community issue in the past 3 years (if no, go to Question VI.A)

2. Yes →

**B. Please identify the issue:** \_\_\_\_\_

**C. Please indicate whether or not each of the following occurred at the time the issue was being discussed?**

	Yes	No	Don't Know
a. The issue was discussed at community meetings .....	1	2	3
b. The local newspaper reported both sides (pros & cons) of the issue ..	1	2	3
c. Existing civic groups were actively engaged in the issue .....	1	2	3
d. An organization(s) was formed to represent one or more viewpoints	1	2	3
e. The issue impacted outcomes of city elections .....	1	2	3
f. The issue has led to permanent divisions in «City».....	1	2	3
g. The issue was mostly debated in the "coffee shops" .....	1	2	3
h. Many friends and neighbors were on different sides of the issue.....	1	2	3

**VI. School Activities**

**A A. Is there an annual high school awards ceremony or event to which the public is invited to attend?**

- 1. Yes
- 2. No
- 3. Not sure

**B. The following questions relate to the involvement of youth and schools in «City»:**

	Yes	No	Don't Know
1. In the past three years, has a group of youth contributed to any community improvement project? .....	1	2	3
2. Has a civic or service organization carried out a project to benefit youth in the past three years?.....	1	2	3
3. Do businesses in «City» provide student internships? .....	1	2	3
4. Is there a student co-op program between the high school and local businesses? .....	1	2	3
5. Is there a school-based business currently in existence? .....	1	2	3

**VII. Community Linkages**

	<u>Yes</u>	<u>No</u>	<u>Don't Know</u>	<u>Locality/Institution Visited</u>
a. In the past three years, has a group from «City» visited another community to learn about its community development efforts? .....	1	2	3	_____
b. In the past three years, has a group from «City» gone outside the community to seek financial or technical assistance? .....	1	2	3	_____
c. In the past three years, has a group from «City» gone outside the community to lobby or to protest a decision affecting the community? .....	1	2	3	_____

**A. Does «City» belong to any of the following regional organizations?**

	<u>Yes</u>	<u>No</u>	<u>Don't Know</u>
a. Regional planning agency and/or council of governments....	1	2	3
b. Multi-community development corporation.....	1	2	3
c. Regional tourism or marketing group.....	1	2	3

**B. In the past 3 years, has «City» joined with other communities (or counties) to address any of the following issues? (IF YES: Please identify the community(ies) with which the joint effort occurred.)**

	<u>Yes</u>	<u>No</u>	<u>Not Sure</u>	<u>Community joined</u>
a. Joint effort on regional environmental issues.....	1	2	3	_____
b. Economic development (recruitment, marketing, etc.).	1	2	3	_____
c. Joint tourism efforts .....	1	2	3	_____
d. Joint lobbying of state or federal government.....	1	2	3	_____
e. Joint leadership/skills training.....	1	2	3	_____
f. Joint special event (fair, festival, etc.).....	1	2	3	_____

**C. Does «City» belong to the following state and national organizations?**

	<u>Yes</u>	<u>No</u>	<u>Not Sure</u>
a. State League of Municipalities .....	1	2	3
b. State Chamber of Commerce/Downtown Development Association	1	2	3
c. State industrial development organization.....	1	2	3
d. Main Street Program.....	1	2	3
e. National Municipal League or National Association of Towns .....	1	2	3
f. Other state organization (identify):_____	1	2	3
g. Other national organization (identify):_____	1	2	3

**VIII. Cooperation & Rivalry**

**A. Do you agree or disagree with the following statements concerning the involvement of rural and farm folks in «City» affairs?**

	Agree	Undecided	Disagree
a. Rural and/or farm folks are active in «City» organizations.....	1	2	3
b. Rural and/or farm folks do business in «City» more often than in another area community .....	1	2	3
c. Rural and/or farm folks often hold civic leadership positions in «City» .....	1	2	3
d. Rural and/or farm folks are considered part of «City» by community residents .....	1	2	3
e. When rural and farm folks raise a concern, town folks tend not to get involved .....	1	2	3

**B. Does «City» have a close, cooperative relationship with another nearby community?**

1. Yes ——— What is the name of that community: \_\_\_\_\_
2. No

**C. Does «City» have a rivalry with another community?**

1. No rivalry (if no, go to Question IX.A)
2. Yes ———

**D. What is the name of that community:** \_\_\_\_\_

**E. How would you describe the rivalry?**

<u>Character of rivalry</u>	Yes	No
1. Competition in sports.....	1	2
2. Economic competition for industries, shoppers and/or public facilities .....	1	2
3. Longstanding rivalry that goes beyond economic competition.....	1	2
4. Citizens from each community make derogatory comments about the other community .....	1	2



**IX. Financial Institutions and Business**

**A. How many financial institutions (branch or independent) are located in «City»?** \_\_\_\_\_  
*(if no local financial institution, indicate 0 and skip to question IX.C)*

**B. Please identify the two largest financial institutions (branch or independent) and indicate each institutions contributions, if any, to local development projects?**

**1. Name of Institution #1:** \_\_\_\_\_

**Type of Institution:**

- 1. Branch
- 2. Independent

**Contributions to «City»**

	<b>Yes</b>	<b>No</b>	<b>Don't Know</b>
a. Provides commercial or low-interest loans to community projects? .....	1	2	3
b. Provides grants, donations, or in-kind contributions to community projects?..	1	2	3
c. Provides marketing or technical assistance to local businesses?.....	1	2	3
d. Personnel serve on local boards and committees?.....	1	2	3

**2. Name of Institution #2:** \_\_\_\_\_

**Type of Institution:**

- 1. Branch
- 2. Independent

**Contributions to «City»**

	<b>Yes</b>	<b>No</b>	<b>Don't Know</b>
a. Provides commercial or low-interest loans to community projects? .....	1	2	3
b. Provides grants, donations, or in-kind contributions to community projects?..	1	2	3
c. Provides marketing or technical assistance to local businesses?.....	1	2	3
d. Personnel serve on local boards and committees?.....	1	2	3

**C. Please indicate your degree of agreement or disagreement with the following statements about business people in «City».**

	<b>Strongly Disagree</b>	<b>Disagree</b>	<b>Neither Agree nor Disagree</b>	<b>Agree</b>	<b>Strongly Agree</b>
a. Business owners/managers in «City» are willing to expend resources to help the community .....	1	2	3	4	5
b. Business owners/managers in «City» are willing to take leadership positions in local development activities .....	1	2	3	4	5

**X. Fund Drives, Bonds, Referendums & Foundations**

**A. During the past three years, has «City» had a referendum or a bond issue?**

- 1. No (if no, go to Questions X.C)
- 2. Yes

**B. IF YES, please specify the purpose of each bond issue and whether the issue passed or failed.**

	<u>Purpose of Bond Issue or Referendum</u>	<u>Passed</u>
1.	_____	Y N
2.	_____	Y N
3.	_____	Y N

**C. During the past three years, has there been a community-wide fund drive, other than bond issues, to raise money for a specific development project?**

- 1. No (if no, go to Question X.G)
- 2. Yes

**D. IF YES, please specify the purpose of each community-wide fund drive during the past three years, the organization leading the drive, and the year it occurred.**

<u>Date</u>	<u>Purpose of Fund Drive</u>	<u>Organization Leading Drive</u>
19__	_____	_____
19__	_____	_____
19__	_____	_____

**E. We would like additional information about local fundraising efforts (Please choose what you think has been the most significant community fund drive when answering the following questions).**

If more than one, which has been the most significant community fund-raiser? \_\_\_\_\_

**F. Were any of the following activities conducted during the fund-raising?**

	<u>Fundraising activities</u>		
	<u>Yes</u>	<u>No</u>	<u>Don't Know</u>
1. Publicly displayed sign(s) indicating fundraising progress ...	1	2	3
2. Fundraising event held such as a supper, sale or raffle.....	1	2	3
3. Local businesses donated funds .....	1	2	3
4. Civic organizations donated funds .....	1	2	3
5. Outside public or private grants were a source of funds.....	1	2	3
6. Local government contributed funds.....	1	2	3
7. Newspaper reported progress and contributions.....	1	2	3
8. A large contribution served as cornerstone of fundraising ...	1	2	3
9. There was a challenge grant/donation to be matched .....	1	2	3

**G. Does «City» have a community foundation, endowment or trust that provides financial resources for community or economic development activities (for example: a hospital endowment, a land trust to preserve habitat or a historic site, or a community foundation with income used for community improvement)?**

1. No (if no, go to Question XI.A)
2. Yes



**H. IF YES, please specify the names of the community foundations, endowments, or trusts and the approximate assets of each.**

	<u>Name of Foundation, Trust or Endowment Fund</u>	<u>Assets</u>
1.	_____	_____
2.	_____	_____
3.	_____	_____

**XI. Local Civic Organizations**

**A. How involved are the following community organizations in community improvement or economic development activities?**

	<u>Very Active</u>	<u>Moderately Active</u>	<u>Not Very Active</u>	<u>No Such Group(s)</u>
a. Economic development organization (governmental or non-governmental) .....	1	2	3	4
b. Chamber of Commerce/Downtown Merchants organizations .....	1	2	3	4
c. Service and fraternal organizations (such as Lions, Kiwanis, Eastern Star).....	1	2	3	4
d. Women's clubs or societies.....	1	2	3	4
e. Public or private housing development organizations.....	1	2	3	4
f. Civic groups (PTA, League of Women Voters, etc.) .....	1	2	3	4
g. Job-related/professional organizations (labor unions, professional associations)	1	2	3	4
h. City government.....	1	2	3	4
i. Environmental organizations (Pheasants Forever, Ducks Unlimited, Sierra Club, etc.) ..	1	2	3	4
j. Commodity or general farm organizations.....	1	2	3	4
k. Historical or heritage societies.....	1	2	3	4
l. Church or church related groups (church committees, Ministerial Alliance, etc.) .....	1	2	3	4

B. In your opinion, what are the three most influential organizations or groups in «City». (These may be formal organizations or informal groups.)

1. \_\_\_\_\_
2. \_\_\_\_\_
3. \_\_\_\_\_

C. In your opinion, which local organization or group does the best job of bringing together diverse groups of people in «City» to address community-wide concerns.

1. Organization or group name: \_\_\_\_\_
2. No such organization or group exists in «City».

D. How many churches are located in «City»? \_\_\_\_\_

E. Over the past three years, please indicate whether any «City» church has taken part in the following activities.

<u>Church Activities</u>	<u>Yes</u>	<u>No</u>	<u>Don't Know</u>
1. Contributed to a community pantry or families in need.....	1	2	3
2. Conducted community-wide ecumenical services.....	1	2	3
3. Initiated their own community improvement project.....	1	2	3
4. Church leaders work on «City» social concerns.....	1	2	3
5. Contributed funds or provided volunteers for social service needs.....	1	2	3

**XII. Economic & Community Improvement Projects**

A. We are interested in recent economic development projects, community improvement projects and general community-wide efforts to improve «City». In the last three years, what do you think have been the THREE most significant community projects (successful or unsuccessful). Projects or activities might range from business recruitment, downtown improvements, construction of a new sewer, a town clean-up, or whatever else you think has been an example of «City» citizens working together. Since we will likely want to know more about these projects, please identify a lead organization and/or contact person when possible.

*If no recent projects or activities*—please check  and move to next question

<u>Project</u>	<u>Lead Organization or Contact Person</u>
1. _____	_____
2. _____	_____
3. _____	_____

**B. Please indicate whether individuals or groups in «City» have promoted economic activity over the past three years in the following manner:**

<u>Actions to Promote Economic Activity</u>	<u>Yes</u>	<u>No</u>	<u>Don't Know</u>
1. Organized/rejuvenated a committee to recruit new business or industry.....	1	2	3
2. Promoted or encouraged agricultural diversification, marketing (including farmer's market), or <u>locally owned</u> , value-added processing.....	1	2	3
3. Sought to attract a large scale agricultural producer or <u>outside-owned</u> , value-added processing firm .....	1	2	3
4. Worked to revitalize the downtown or retail sector of «City».....	1	2	3
5. Taken action to retain or expand <u>locally-owned</u> businesses or industry.....	1	2	3
6. Developed a business incubator or small business assistance program.....	1	2	3
7. Developed commercial/retail center mostly for <u>locally-owned</u> businesses....	1	2	3
8. Developed commercial/retail center mostly for <u>outside-owned</u> businesses ..	1	2	3
9. Developed an industrial park.....	1	2	3
10. Systematically developed and maintained contact with leaders in industry outside the area .....	1	2	3
11. Applied for financial assistance from county, state or federal government to <u>attract industry or business</u> .....	1	2	3
12. Applied for financial assistance from county, state or federal government to expand <u>local businesses</u> .....	1	2	3
13. Sought investments from corporations or investors outside «City» to expand business or industry .....	1	2	3
14. Attempted to find buyers for a local business .....	1	2	3
15. Organized to bring a state or federal office or facility to the community.....	1	2	3
16. Developed and/or promoted a local historic or cultural site or event to promote tourism.....	1	2	3
17. Sought outside investors to develop single or multi-family housing .....	1	2	3
18. Created a local housing development organization or encouraged local realtors or contractors to develop housing.....	1	2	3

**C. In the past three years, have there been discussions in «City» concerning housing needs?**

1. Yes
2. No
3. Don't Know

**D. Have any of the following housing types actually been developed or expanded in «City» during the past three years?**

	<u>Yes</u>	<u>No</u>	<u>Don't Know</u>
<b>General Housing</b>			
1. Conventional residential units .....	1	2	3
2. Privately owned townhouses or apartments.....	1	2	3
3. Designated location for mobile homes.....	1	2	3
<b>Specialized Housing</b>			
4. Subsidized housing for the elderly.....	1	2	3
5. Development of low or moderate income housing.....	1	2	3
6. Subsidized multi-family housing units (e.g. apartments).....	1	2	3

**XIII. Community Leaders**

**A. If a project was before «City», please list the five people whose support would be most needed for the project to succeed. Please indicate the individual's name, occupation, approximate age, sex and approximate years the individual has resided in «City».**

	<u>Name</u>	<u>Occupation</u>	<u>Approx. Age</u>	<u>Sex</u>	<u>Years of Residence (approximate)</u>
1.	_____	_____	_____	M F	_____
2.	_____	_____	_____	M F	_____
3.	_____	_____	_____	M F	_____
4.	_____	_____	_____	M F	_____
5.	_____	_____	_____	M F	_____

**XIV. Background Questions**

*Finally, we need to ask a few questions about your background. This information, as with all information provided in this survey, will be used for statistical analysis only and will remain strictly confidential.*

**A. Your age (as of last birthday)? \_\_\_\_\_ years**

**B. Your sex?**

1. Male
2. Female

- C. How long have you lived in this area? \_\_\_\_\_ years
- D. Have you ever lived elsewhere?  
 1. Yes  
 2. No
- E. Which best describes you?  
 1. African American  
 2. Asian  
 3. Hispanic/Latino  
 4. Native American/American Indian  
 5. White  
 6. Other \_\_\_\_\_
- F. What is (was) your primary occupation? \_\_\_\_\_
- G. How long have you had (did you have) this occupation? \_\_\_\_\_ years
- H. Your highest level of formal education attained?  
 1. Less than 9th grade  
 2. 9th to 12 grade, no diploma  
 3. High school graduate (includes equivalency)  
 4. Some college: no degree; associate degree; or, completed technical school program  
 5. Bachelors degree  
 6. Graduate or professional degree
- I. Did you attend the local primary or secondary schools?  
 1. Yes  
 2. No
- J. How many local organizations (which meet in «City») do you currently belong to? \_\_\_\_\_ orgs.
- K. Have you been an organizational officer in the last three years?  
 1. Yes  
 2. No
- L. How many organizations meeting outside «City» do you currently belong to? \_\_\_\_\_ orgs.
- M. Have you held elected public office in the last three years?  
 1. Yes  
 2. No
- N. What would you identify as your central «City» leadership position/role? \_\_\_\_\_
- O. How long have you held this position or taken on this role? \_\_\_\_\_ years

*Thank you for your cooperation!!!*

*If there are any materials which you think may be of interest to this research, please mail it with the survey.*

*If you have any additional comments, please use the back page.*

**APPENDIX C. NRI CITY CLERK SURVEY INSTRUMENT**

**City Clerk Questions**

As you may recall, [community name] has been part of a statewide study of 99 communities in Iowa, where residents have been interviewed to determine the conditions of our state's rural communities. Two years ago, 150 residents were asked for their opinions concerning [community name]. To further help in our research, we are interested in identifying several individuals in [community] who may be able to provide us with more information. In the following fifteen minute survey we will ask you to identify several community organizations and leaders. If possible we would also like to know the address and telephone number of the leaders to aid us in contacting them if we need more information. Your assistance is greatly appreciated

**Clerk Background**

0a. How long have you been city clerk? \_\_\_\_\_  
YEARS

0b. How long have you lived in [community name]? \_\_\_\_\_  
YEARS

**Identification of Government Key Informant**

1a. Who is the current Mayor? \_\_\_\_\_  
FIRST LAST

1b. What is (his/her) address? \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

1c. What is (his/her) phone number? \_\_\_\_\_  
PHONE

1d. How long has (MAYOR'S NAME) been Mayor? \_\_\_\_\_  
YEARS

[IF 1d>2 THEN SKP TO 3A]

2a. Who was the previous mayor? \_\_\_\_\_  
FIRST LAST

2b. How long was he/she mayor? \_\_\_\_\_  
YEARS

2c. What is (his/her) address? \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

2d. What is (his/her) phone number? \_\_\_\_\_  
PHONE

3a. Do you have a city manager or city administrator?  
1 = Yes  
2 = No (Go to 4a)  
3 = Other, Please specify \_\_\_\_\_  
8 = Don't Know (Go to 4a)

3b. What is (his/her) name? \_\_\_\_\_  
FIRST LAST

[if city manager is the same person as the city clerk, skip to 3f]

3c. How long has (he/she) been (city manager or administrator)? \_\_\_\_\_  
YEARS

3d. What is (his/her) address? \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

3e. What is (his/her) phone number? \_\_\_\_\_  
PHONE

3f. [if more than one individual identified in Qs 1 through 3] Which of these (2 or 3) individuals do you believe would be the best informant regarding activities of the city government over the past five years?

\_\_\_\_\_  
FIRST LAST

**Identification of Business Contact**

4a. Does the community have a Chamber of Commerce?  
1 = Yes  
2 = No (Go to 5a)  
8 = Don't Know (Go to 5a)

4b. Does the Chamber have an office?  
1 = Yes  
2 = No (Go to 4e)  
8 = Don't Know (Go to 4e)

4c. What is the address of the office? \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

4d. What is the phone number of the Chamber Office? \_\_\_\_\_  
PHONE

4e. Who is the President of the Chamber of Commerce?

\_\_\_\_\_  
FIRST LAST

4f. What is (his or her) address? \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

4g. What is (his or her) phone number? \_\_\_\_\_  
PHONE

4h. Does the Chamber have an executive secretary or staff person?

- 1 = Yes
- 2 = No (Go to 5a)
- 8 = Don't Know (Go to 5a)

4i. What is (his or her) name? \_\_\_\_\_  
FIRST LAST

4j. What is (his or her) address? \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

4k. What is (his or her) phone number? \_\_\_\_\_  
PHONE

5a. Is there an economic or community development organization that represents [community name]?

- 1 = Yes
- 2 = No (Go to 6a)
- 8 = Don't Know (Go to 6a)

5b. Is there more than one such organization?

- 1 = Yes
- 2 = No
- 8 = Don't Know

5c. What (is/are) the name(s) of the organization(s)?

Organization #1: \_\_\_\_\_

Organization #2: \_\_\_\_\_

Organization #3: \_\_\_\_\_

[If more than one organization] We would like to know about the most active organization working on behalf of (community name).

5d.1. How long has the [organization #1] existed? \_\_\_\_\_  
YEARS

5d.2. Is this a non-profit or for profit organization?

- 1=Non-profit
- 2=For Profit
- 8=Don't Know

5d.3. Is [organization #1] a single-community organization or does it represent a broader area?

- 1 = Single-community [GO TO 5d.5]
- 2 = Broader area
- 8 = Don't Know

5d.4. What area does the organization represent? \_\_\_\_\_

5d.5. Does the organization have an office?

- 1=Yes
- 2=No (Go to 5i)
- 8=Don't Know (Go to 5i)

5d.6. What is the organization's address? \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

5d.7. What is the organizations phone number? \_\_\_\_\_

PHONE

5d.8. Who is the chairman or president of the organization?

\_\_\_\_\_  
FIRST LAST

5d.9. What is (his or her) address? \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

5d.10. What is (his or her) phone number? \_\_\_\_\_  
PHONE

5d.11. Does the organization have a paid staff person?  
1=Yes  
2=No (Go to 6a)  
8=Don't Know (Go to 6a)

5d.12. What is (his or her) name? \_\_\_\_\_  
FIRST LAST

5d.13. What is (his or her) address? \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

5d.14. What is (his or her) phone number? \_\_\_\_\_  
PHONE

6a. Does [community name] have any formal group other than the Chamber of Commerce or Economic Development Group that represents local businesses?  
1=Yes  
2=No (Go to 7a)  
8=Don't Know (Go to 7a)

6b. What is the name of the organization? \_\_\_\_\_  
NAME OF ORGANIZATION

6c. Who is the chairperson or president of the organization?  
\_\_\_\_\_  
FIRST LAST

6d. What is (his or her) address? \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

6e. What is (his or her) phone number? \_\_\_\_\_  
PHONE

7a. [if no to 4a and no to 6a] Is there a local business person you would recommend as a contact to provide information about [community name]'s business community?

1=Yes

2=No (Go to 8a)

8=Don't Know (Go to 8a)

7b. What is (his or her) name? \_\_\_\_\_  
FIRST LAST

7c. What is (his or her) address? \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

7d. What is (his or her) phone number? \_\_\_\_\_  
PHONE

7e. What is (his or her) occupation or business? \_\_\_\_\_  
OCCUPATION/BUSINESS

8a. [if more than two yes responses to set of 4a, 5a, 6a, and 7a] Of the (Chamber, Economic Development, Business organization or local business person) who do you believe would be the most knowledgeable of community or economic development activities over the past five years?

\_\_\_\_\_  
FIRST LAST

### Newspaper Editor

9a. Does [community name] have a local newspaper?

1=Yes

2=No (Go to 9f)

3=Don't Know (Go to 9f)

9b. What is the newspaper's name? \_\_\_\_\_  
NAME OF NEWSPAPER

9c. What is the address of the newspaper? \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

9d. What is the phone number of the newspaper? \_\_\_\_\_  
PHONE

9e. What is the name of the newspaper editor?  
\_\_\_\_\_  
FIRST LAST

(GO TO 10a)

9f. Does an area paper have a [community name] reporter?

1=Yes

2=No (Go to 10a)

3=Don't Know (Go to 10a)

9g. What is the newspaper's name? \_\_\_\_\_

NAME OF NEWSPAPER

9h. What is (his or her) name? \_\_\_\_\_

FIRST

LAST

9i. What is (his or her) address? \_\_\_\_\_

\_\_\_\_\_

9j. What is (his or her) phone number? \_\_\_\_\_

PHONE

9k. How knowledgeable of the community do you think this reporter is?

1=No Very Knowledgeable

2=Somewhat knowledgeable

3=Very Knowledgeable

8=Don't Know

### Community festival/celebration

10a. Does [community name] have any community festival or celebration?

1=Yes

2=No (Go to 11a)

8=Don't Know (Go to 11a)

10b.1. Is there more than one?

1=Yes

2=No (Go to 10c)

8=Don't Know (Go to 10c)

10b.2. How many annual events are there? \_\_\_\_\_

I would like to know more about the event which you think involves the largest portion of the community.

10c. What is the name of the festival or celebration? \_\_\_\_\_

NAME

10d. How many years has (FESTIVAL NAME) been held? \_\_\_\_\_  
YEARS

10e. Who is the main leader of the next (FESTIVAL NAME)?

\_\_\_\_\_  
FIRST LAST

10f. What is (his or her) address? \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

10g. What is (his or her) phone number? \_\_\_\_\_  
PHONE

10h. Has [community name] had community-wide fund drive recently?

- 1=Yes
- 2=No (Go to 11a)
- 8=Don't Know (Go to 11a)

10i. What was the purpose of the most recent fund drive?  
\_\_\_\_\_

10j. What organization led the fund drive? \_\_\_\_\_

10k. Who would be the best contact person for this organization?

\_\_\_\_\_  
FIRST LAST

10l. What is (his or her) address? \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

10m. What is (his or her) phone number? \_\_\_\_\_  
PHONE

**Church Leader**

11a. Who do you think would be the best church leader to contact for more information about [community name]?

\_\_\_\_\_  
FIRST LAST

11b. What Church does (he or she) lead? \_\_\_\_\_  
NAME

11c. What is (his or her) address? \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

11d. What is (his or her) phone number? \_\_\_\_\_  
PHONE

11e. What is the largest church in [community name]? \_\_\_\_\_  
NAME

[SKIP TO 12a IF SAME CHURCH AS 11g]

11f. What is the Pastor or Priests name?  
\_\_\_\_\_  
FIRST LAST

11g. What is the church's address? \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

**Civic Leaders**

12a. What are the two most active civic organizations in [community] other than the Chamber, Business Association, or economic development group?

Civic Organization 1: \_\_\_\_\_

Civic Organization 2: \_\_\_\_\_

12b. Who is the President or Chairperson of [civic organization #1]?  
\_\_\_\_\_  
FIRST LAST

12c. What is (his or her) address? \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

12d. What is (his or her) phone number? \_\_\_\_\_  
PHONE

12e. Who is the President or Chairperson of [civic organization #2]?  
\_\_\_\_\_  
FIRST LAST

12f. What is (his or her) address? \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

12g. What is (his or her) phone number? \_\_\_\_\_  
PHONE

12h. [if Don't know to one or both civic organizations in 12a] What is the most active women's organizations in [community name]? \_\_\_\_\_  
NAME

[SKIP TO 12I IF ORGANIZATION MATCHES CIVIC ORGANIZATION #1 OR CIVIC ORGANIZATION #2]

12i. Who is the President or Chairperson?

\_\_\_\_\_

FIRST

LAST

12j. What is her address? \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

12k. What is her phone number? \_\_\_\_\_  
PHONE

12l. Is there a community organization that has initiated or has been involved in a significant community improvement activities (such as town pick-up; park improvement; fund-raising) in the last 5 years?

1=Yes

2=No (go to ENDING)

8=Don't Know (go to ENDING)

12m. Has there been more than one such organization?

1=Yes

2=No (go to 12n)

8=Don't Know (go to 12n)

We are interested in the one organization in [community name] that was involved in what you think has been the most significant activity of the last five years.

12n. What was the activity? \_\_\_\_\_  
\_\_\_\_\_

12o. What is the name of the organization leading this activity?

\_\_\_\_\_  
NAME

[SKIP TO 13a IF ORGANIZATION NAME MATCHES ANY PREVIOUSLY IDENTIFIED ORGAIZATION]

12p. Who is the leader of the organization?

\_\_\_\_\_

FIRST LAST

12q. What is (his or her) address? \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

12r. What is (his or her) phone number? \_\_\_\_\_  
PHONE

13a. Is there any individual that has not been previously named that would be a good informant about the community?

- 1=Yes
- 2=No (skip to 14a)
- 8=Don't Know (skip to 14a)

13b. Who is his or her name? \_\_\_\_\_

FIRST LAST

13c. What is (his or her) address? \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

13d. What is (his or her) phone number? \_\_\_\_\_  
PHONE

14a. Do you have a roster of civic organizations and contact persons in the community?

- 1= Yes
- 2=No
- 8=Don't Know

14b. Do you have a packet of information or any materials that may provide more background about [community name], such as event brochures, city fact sheets, or tourism materials?

- 1=Yes
- 2=No
- 8=Don't Know

[IF NO OR DON'T KNOW TO BOTH 14a AND 14b THEN GO TO ENDING]

14c. Could you mail a copy of the (roster and/or city information) to us?

1=Yes

2=No (Go to Ending)

You can mail the information to Jeff Sharp, 107 East Hall, Ames, IA 50011.

ENDING:

That completes our survey, thank you for your assistance. If you have any questions about this project, feel free to contact either Vern Ryan at or Jeff Sharp at 1-800-706-6526.

**APPENDIX D. ADDITIONAL TABLES**

**Table 22. Community<sup>a</sup> populations and response rates**

Community	Population	Resident Response Rate	Key-Informant Response Rate
Afton	953	75%	60%
Agency	616	63%	60%
Ainsworth	506	77%	60%
Albert City	779	82%	60%
Albia	3,870	72%	80%
Allerton	599	66%	80%
Altoona	7,242	69%	80%
Anita	1,068	75%	80%
Atkins	637	76%	40%
Audubon	2,524	80%	60%
Bancroft	857	79%	100%
Batavia	520	62%	80%
Battle Creek	818	73%	80%
Bayard	511	73%	40%
Bedford	1,528	67%	40%
Bloomfield	2,580	71%	80%
Buffalo Center	1,081	81%	60%
Calmar	1,026	71%	40%
Center Point	1,693	75%	40%
Chariton	4,616	67%	80%
Cherokee	6,026	70%	100%
Clarence	936	79%	60%
Clarinda	5,104	78%	80%
Colo	771	73%	60%

<sup>a</sup> Community = 500-10,000 residents  
Community population mean = 1803

**Table 22. (continued)**

Community	Population	Resident Response Rate	Key-Informant Response Rate
Columbus Junction	1,616	69%	60%
Corning	1,806	69%	100%
Correctionville	897	65%	100%
Denison	6,604	69%	80%
Donnellson	940	74%	80%
Dumont	705	78%	40%
Eagle Grove	3,671	75%	40%
Elgin	637	81%	80%
Elk Horn	672	75%	100%
Elma	653	83%	40%
Epworth	1,303	80%	60%
Estherville	6,720	80%	80%
Everly	706	75%	80%
Farmington	655	67%	60%
Fontanelle	712	74%	60%
Fruitland	511	69%	60%
Garnavillo	727	79%	80%
George	1,066	67%	80%
Gilbertville	748	67%	80%
Glidden	1,099	75%	80%
Gowrie	1,028	81%	80%
Graettinger	813	79%	80%
Grand Mound	619	77%	60%
Hamburg	1,248	74%	100%
Hartford	768	71%	60%
Hartley	1,632	83%	60%
Hills	662	70%	60%

**Table 22. (continued)**

Community	Population	Resident Response Rate	Key-Informant Response Rate
Hopkinton	695	72%	60%
Hospers	643	79%	40%
Humboldt	4,438	77%	100%
Jefferson	4,292	74%	100%
Kanawha	763	78%	60%
Lake Park	996	75%	40%
Lamoni	2,319	73%	80%
Le Claire	2,734	78%	100%
Le Mars	8,454	70%	60%
Madrid	2,395	66%	60%
Mapleton	1,294	78%	80%
Mediapolis	1,637	74%	100%
Missouri Valley	2,888	75%	60%
Monroe	1,739	73%	60%
Montezuma	1,651	69%	100%
Moulton	613	67%	80%
Mount Ayr	1,796	69%	100%
Murray	731	69%	60%
Nashua	1,476	79%	40%
Neola	909	70%	60%
Nora Springs	1,505	77%	80%
Northwood	1,940	67%	80%
Olin	663	78%	60%
Pacific Junction	548	71%	40%
Pleasantville	1,536	65%	80%
Pocahontas	2,085	78%	60%
Pomeroy	762	75%	100%

**Table 22. (continued)**

Community	Population	Resident Response Rate	Key-Informant Response Rate
Quasqueton	579	76%	60%
Radcliffe	574	81%	60%
Sabula	710	76%	40%
Sac City	2,516	76%	60%
Saint Ansgar	1,063	77%	80%
Saint Charles	537	75%	80%
Sheffield	1,174	81%	100%
Sibley	2,815	73%	40%
Traer	1,552	80%	100%
University Park	598	63%	40%
Ventura	590	77%	40%
Villisca	1,332	75%	80%
Waukon	4,019	74%	80%
Waverly	8,539	77%	60%
Webster City	7,894	69%	80%
Wellsburg	682	77%	60%
What Cheer	762	70%	100%
Williamsburg	2,174	75%	100%
Winfield	1,051	73%	80%
Woodward	1,197	66%	60%

**Table 23. Forms of community-based social capital**

Community	Enforceable Trust	Value Introjection	Bounded Solidarity
Afton	3.88	-0.20	0.05
Agency	4.49	-0.75	-0.02
Ainsworth	6.54	-0.27	-0.22
Albert City	12.93	0.26	0.32
Albia	12.63	0.21	-0.34
Allerton	7.14	-0.27	-0.24
Altoona	9.57	-0.85	-0.16
Anita	13.00	0.11	0.13
Atkins	8.26	-0.45	0.05
Audubon	13.89	0.28	-0.08
Bancroft	19.30	0.54	0.13
Batavia	9.30	-0.39	-0.45
Battle Creek	7.77	0.15	0.15
Bayard	6.67	-0.07	0.05
Bedford	10.42	0.17	-0.07
Bloomfield	21.65	0.05	-0.04
Buffalo Center	20.35	0.24	0.11
Calmar	11.76	-0.17	0.00
Center Point	11.93	-0.50	-0.32
Chariton	19.79	0.13	-0.33
Cherokee	15.69	0.16	-0.06
Clarence	8.41	0.10	0.00
Clarinda	11.88	0.25	-0.05
Colo	9.52	-0.38	0.05
Columbus Junction	13.27	0.35	-0.21
Corning	16.84	0.32	-0.07
Correctionville	7.22	0.31	0.06

Table 23. (continued)

Community	Enforceable Trust	Value Introjection	Bounded Solidarity
Denison	16.84	0.04	-0.45
Donnellson	15.38	-0.15	-0.30
Dumont	6.31	0.16	0.18
Eagle Grove	18.10	0.09	-0.22
Elgin	14.29	0.05	0.27
Elk Horn	9.71	-0.01	0.35
Elma	16.39	0.11	-0.25
Epworth	8.62	-0.14	0.14
Estherville	21.74	0.40	-0.07
Everly	9.17	-0.02	0.13
Farmington	8.51	0.05	-0.14
Fontanelle	13.33	0.31	0.24
Fruitland	0.00	-0.93	-0.02
Garnavillo	16.67	0.09	0.29
George	7.45	0.28	0.26
Gilbertville	7.22	0.28	0.47
Glidden	10.38	-0.01	0.26
Gowrie	10.62	-0.07	0.18
Graettinger	14.55	0.24	0.33
Grand Mound	7.96	-0.37	0.12
Hamburg	9.62	0.27	-0.13
Hartford	3.03	-0.50	-0.09
Hartley	14.53	0.02	-0.06
Hills	4.21	-0.67	-0.20
Hopkinton	4.00	-0.11	-0.27
Hospers	12.26	0.05	0.13
Humboldt	13.64	0.19	0.08

**Table 23. (continued)**

Community	Enforceable Trust	Value Introjection	Bounded Solidarity
Jefferson	18.69	0.09	0.01
Kanawha	12.04	0.27	0.23
Lake Park	14.55	0.05	0.05
Lamoni	13.27	-0.21	0.03
Le Claire	7.08	-0.59	-0.39
Le Mars	21.57	0.24	0.05
Madrid	10.47	-0.13	-0.25
Mapleton	13.59	-0.06	0.06
Mediapolis	9.71	0.09	0.04
Missouri Valley	14.68	-0.19	-0.51
Monroe	10.10	0.06	-0.17
Montezuma	13.40	-0.25	-0.02
Moulton	6.45	0.17	0.06
Mount Ayr	11.83	0.21	0.28
Murray	6.06	0.19	0.43
Nashua	8.04	0.26	-0.03
Neola	14.43	-0.34	0.00
Nora Springs	6.31	-0.26	-0.17
Northwood	11.96	0.19	-0.08
Olin	12.61	0.04	0.03
Pacific Junction	4.00	-0.47	-0.53
Pleasantville	3.16	0.01	-0.09
Pocahontas	14.16	0.21	-0.20
Pomeroy	12.50	0.33	0.39
Quasqueton	13.21	-0.04	0.20
Radcliffe	9.82	0.18	0.02
Sabula	9.17	0.26	0.17

**Table 23. (continued)**

Community	Enforceable Trust	Value Introjection	Bounded Solidarity
Sac City	16.98	0.26	-0.08
Saint Ansgar	9.43	0.34	0.33
Saint Charles	11.21	-0.33	-0.05
Sheffield	11.11	0.16	-0.09
Sibley	11.76	-0.09	-0.18
Traer	9.48	0.08	-0.04
University Park	2.56	-1.05	-0.14
Ventura	4.67	-0.43	0.31
Villisca	13.89	0.03	0.17
Waukon	18.63	0.52	0.17
Waverly	24.55	-0.05	-0.13
Webster City	15.96	0.14	-0.35
Wellsburg	9.09	0.51	0.41
What Cheer	4.95	0.09	-0.21
Williamsburg	7.27	0.04	0.05
Winfield	16.50	0.02	0.22
Woodward	8.79	-0.27	-0.20

**Table 24. Economic development, citizen participation, and information base**

Community	Economic Development	Citizen Participation	Information Base
Afton	-0.20	3	-1.27
Agency	-0.82	1	-1.27
Ainsworth	-1.12	3	0.16
Albert City	-1.12	4	-1.27
Albia	1.14	5	0.16
Allerton	-0.49	3	0.18
Altoona	0.00	3	0.00
Anita	0.55	4	0.16
Atkins	0.00	2	0.00
Audubon	1.51	4	1.61
Bancroft	0.81	4	0.19
Batavia	-1.12	2	-1.27
Battle Creek	-1.12	1	-1.27
Bayard	-1.12	1	-1.27
Bedford	0.89	4	0.90
Bloomfield	1.51	3	0.90
Buffalo Center	-0.82	2	-0.54
Calmar	0.19	2	-1.27
Center Point	-0.21	0	-0.54
Chariton	1.18	5	1.61
Cherokee	1.51	4	0.90
Clarence	0.23	2	0.90
Clarinda	1.18	5	1.61
Colo	-0.82	3	0.16
Columbus Junction	-1.12	3	0.00
Corning	1.51	5	1.61
Correctionville	-0.80	4	0.19

Table 24. (continued)

Community	Economic Development	Citizen Participation	Information Base
Denison	1.51	4	1.61
Donnellson	-1.12	0	-1.27
Dumont	-1.12	2	-1.27
Eagle Grove	0.52	3	1.61
Elgin	-0.83	3	0.16
Elk Horn	0.45	3	0.16
Elma	-1.12	0	-1.27
Epworth	-0.50	4	-1.27
Estherville	0.00	4	1.61
Everly	0.18	1	-0.54
Farmington	-1.12	1	0.19
Fontanelle	-0.80	0	0.16
Fruitland	-1.12	0	-1.27
Garnavillo	1.14	2	0.16
George	0.00	3	0.00
Gilbertville	-1.12	2	-0.54
Glidden	-0.18	3	0.16
Gowrie	0.45	3	-0.54
Graettinger	1.51	5	0.16
Grand Mound	-1.12	2	-1.27
Hamburg	0.52	4	0.16
Hartford	-1.12	2	0.16
Hartley	0.85	4	0.90
Hills	-1.12	3	-1.27
Hopkinton	0.00	2	0.00
Hospers	0.19	0	0.88
Humboldt	1.17	5	0.00

Table 24. (continued)

Community	Economic Development	Citizen Participation	Information Base
Jefferson	1.51	5	1.61
Kanawha	-0.21	3	-0.54
Lake Park	0.00	0	0.00
Lamoni	1.22	5	-0.56
Le Claire	-0.21	5	0.88
Le Mars	1.19	0	0.00
Madrid	-1.12	3	-0.56
Mapleton	-0.17	4	0.16
Mediapolis	1.22	5	0.90
Missouri Valley	1.51	4	1.61
Monroe	0.49	4	0.16
Montezuma	-0.20	3	-0.54
Moulton	-0.47	3	-1.27
Mount Ayr	1.51	5	0.90
Murray	-0.47	3	0.16
Nashua	-1.12	4	0.16
Neola	-1.12	3	-0.55
Nora Springs	-1.12	2	-1.27
Northwood	0.55	2	-1.27
Olin	-0.21	4	0.16
Pacific Junction	-1.12	1	-1.27
Pleasantville	-0.20	3	0.88
Pocahontas	-0.82	3	0.19
Pomeroy	-1.12	3	0.16
Quasqueton	-1.12	2	-0.54
Radcliffe	-1.12	1	-1.27
Sabula	-1.12	0	-1.27

**Table 24. (continued)**

Community	Economic Development	Citizen Participation	Information Base
Sac City	1.18	4	1.61
Saint Ansgar	1.18	3	-0.54
Saint Charles	0.00	3	0.16
Sheffield	1.51	4	1.61
Sibley	-0.50	2	-0.54
Traer	0.85	3	0.16
University Park	-1.12	0	-1.27
Ventura	-1.12	2	0.00
Villisca	0.55	4	0.88
Waukon	0.89	3	1.61
Waverly	1.51	5	1.61
Webster City	1.51	4	1.61
Wellsburg	0.00	3	0.00
What Cheer	-0.49	3	-0.54
Williamsburg	1.51	4	0.16
Winfield	-0.20	4	-1.27
Woodward	-0.80	3	-1.27

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