

The Effect of Planned Communities on Social Capital

The issue of apathy among homeowners has been raised many times by CAI, the national lobbying organization supporting private governments, or those businesses acting as de facto governments, to counter arguments by homeowner advocates that they lack a real voice in the HOA. “Get involved”, “participate”, etc are the mantras issued, even this past week by the CEO of CAI in its *Welcome to Ungated*¹ blog resorting to a 1992 in *Board Briefs* article, apparently oblivious to the trends in American society of the past 30 to 40 years -- the same period in which we see the rapid growth of planned communities across the country with their governing body organizations described as “community associations”. Based on this identical time period, a legitimate question can be asked:

To what extent has planned communities with their private, nongovernmental approved, constitutions contributed to this change?

First, let’s discuss the notion of “social capital” as stated by Robert D. Putnam in his book, *Bowling Alone*². Putnam is a political scientist and not a real estate specialist.

The core idea of social capital theory is that social networks have value. ... Social capital refers to connections among individuals – social networks and norms of reciprocity and trustworthiness that arises from them. ... ‘Social capital’ calls attention to the fact that civic virtue is most powerful when embodied in a dense network of reciprocal social relations. A society of many virtuous but isolated individuals is not necessarily rich in social capital.

And he writes about community involvement:

Social connections are also important for the rules of conduct that they sustain. Networks involve (almost by definition) mutual obligations; they are not interesting as mere ‘contracts.’ Networks of community engagement foster sturdy norms of reciprocity: I’ll do this for you now, in the expectation that you . . . will return the favor.

The Golden Rule is one formulation of generalized reciprocity.

The author warns about the application of social capital to the goals of the community:

¹Pearls of Wisdom - Ways to Destroy Your Association, *Welcome to Ungated*, Tom Skiba, http://cai.blogware.com/blog/_archives/2006/6/15/2034476.html (June 19, 2006).

²*Bowling Alone: the Collapse and Revival of American Society*, Chapter 1, Thinking About Social Change in America, Robert D. Putnam (Simon & Schuster 2000).

Similarly, urban gangs, NIMBY ('not in my backyard') movements and power elites often exploit social capital to achieve ends that are antisocial from a wider perspective. Indeed, it is rhetorically useful for such groups to obscure the difference between the pro-social and antisocial consequences of community organizations.

The "dominant theme" of recent social change, according to Putnam, occurring at the same time as the "quiet innovation in housing" (a quote from part of the title of the Stabile book on Community Associations) is:

For the first two-thirds of the twentieth century a powerful tide bore Americans into ever deeper engagement in the life of their communities, but a few decades ago – silently, without warning – that tide reversed and we were taken by a treacherous rip current. Without at first noticing, we have pulled apart from one another and from our communities over the last third of the century.

Strikingly, the forms of participation that have withered most noticeably reflect organized activities at the community level. . . . These activities can be undertaken only if others in the community are also active. . . . The more my activities depend on the actions of others, the greater the drop-off in my participation.

In order to answer the question posed above, I will focus on how the planned community model with its mandatory membership, compulsory assessments and lack of homeowner protections, as one would expect in any other community environment in America, has affected the social capital, reciprocity and trustworthiness, community and social interrelationships, and communal or joint participation of homeowners living in these associations. These are the aspects of 'community', and not those relating to the landscaping, or swimming pools, golf courses, tennis courts or community centers, which are just the material and physical aspects of a community. A community, everyone will agree, starts and ends with the people. The people make the community, and it is they who care for its physical aspects.

Looking into earlier research on the community and political aspects of homeowners associations, even one-third back some 12 years to the 1994 publication of *Common Interest Communities*³, which included earlier studies as far back as 1967, is revealing. In Chapter 6, Barton and Silverman write:

As one board president put it: 'Apathy reigns supreme – most owners want some unpaid volunteer to make decisions for them rather than attending

³ *Common Interest Communities*, Part IV: Community and Political Life in a Private Government, Stephen E. Barton & Carol J. Silverman, eds. (Institute of Government Studies Press, Univ. of Calif., Berkeley 1994).

board or annual meetings. We are running out of fools who will volunteer their time.

Since the writings of Jefferson and de Tocqueville, citizens . . . have been extolled as . . . working in voluntary associations to accomplish civic ends. It is misleading to consider the common interest development as another example of this. The CID highlights individual property interests rather than common purposes. . . . Disagreements typically are not over the best direction for the association as a whole but rather over what are perceived as individual private property rights.

The use of common ownership as a vehicle for meeting public needs violates peoples' understandings of ownership. . . . In the common interest development . . . the common good is less well understood [than in the public arena]. As in the case where only some roofs leak yet all have to pay for repairs, people do not see why they should pay.

The idea of neighbors policing neighbors is not only in contradiction to cultural understandings of ownership, but also fails to provide the internal checks and balances that people associate with fairness in the U.S. system of government. . . . The absence of separation of powers leaves associations boards vulnerable to both perceived and actual favoritism and abuse of powers.

In chapter 7, Gregory Alexander writes:

The owners were frustrated; some were acutely angry. Yet they haven't responded to their disappointment by expressing their frustration. Rather, they choose passivity. Some feel that the board has intruded on the private sphere of their property ownership with zealous policing tactics.

Passivity and apathy are expressions of experience in which living within a group lacks meaning for individuals. Others who would cooperate through active participation if they didn't feel stonewalled.

What one sees from these studies of some 13 years ago is that the same problems still exist and the national lobbying organization has not been able to make the homeowners association model of communal ownership and private governance acceptable and without serious problems. The answer to the question posed above is that the model, concept, structure and legal basis are contrary to American understandings, beliefs, expectancies and behavioral attitudes, and have contributed to the loss of participation and civic virtue. And that these associations do not create positive social capital of social networks and connections with reciprocal relationships, social interactions, trustworthiness and mutual obligations between the powerful boards and the rank and file homeowners.