DEPARTMENT OF FAMILY AND COMMUNITY SERVICES

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The identification and analysis of indicators of community strength and outcomes

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Any views expressed in this paper are those of the authors and do not represent the views of the Government, the Minister for Family and Community Services, the Department of Family and Community Services or any Commonwealth department.

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Foreword

The Commonwealth Government's Stronger Families and Communities Strategy was announced in April 2000 with a commitment by the Government of $240 million to community-driven capacity building, prevention and early intervention initiatives.

The Strategy is a significant and practical new policy direction for Australian families and their communities. It aims at responding to the immediate needs of families and communities as well as to ongoing changes in communities over time. To do this, the Strategy is furthering the development of the evidence base and an understanding of community strength to inform policy development and to support the practical implementation of further policy initiatives.

The Strategy has presented challenges to FaCS to develop both an appropriate evaluation framework to measure its success and tools to actually measure community strength. Accompanying this is the need to continue to build the evidence base around the issue of community strength to inform future policy development.

While there has been a considerable amount of national and international research around many elements of community strength, and a variety of indicators have been put forward as possible measurement tools, there does not appear to be a systematic and useable way of measuring and understanding the strength of Australian communities.

In June 2000, FaCS sought proposals for a comprehensive review and analysis of literature on existing work on indicators of community strength and to provide some direction for further developmental work on indicators and measures of community strength.

Professor Alan Black and Dr Philip Hughes of Edith Cowan University were the consultants employed to undertake this project.

Their report is an important element of work contributing to the Strategy. It provides a sound analysis of the complexity of attributes that affect and shape communities. The report's information and analysis of indicators of community strength now allow us to move to the next stage in this important work, that is to develop and field test indicators which can measure the strength of individual Australian communities.

I look forward to the outcomes of this important next stage of work under the Stronger Families and Communities Strategy.

Barry Smith

Assistant Secretary

Community Branch

Department of Family and Community Services

June 2001

Executive summary

After a review of relevant literature, this report defines community strength as the extent to which resources and processes within a community maintain and enhance both individual and collective wellbeing in ways consistent with the principles of equity, comprehensiveness, participation, self-reliance and social responsibility. This definition implies that an assessment of community strength involves taking account of resources, processes and outcomes. These are dynamically interrelated and there are feedback loops from outcomes to resources and processes.

Most people identify with and participate in a mosaic of geographical communities and communities of interest. In most instances, individual and collective wellbeing is enhanced through this variety of communities. While it may sometimes be appropriate to look at how a particular community is enhancing individual and collective wellbeing, it may be more appropriate in other instances to look at the extent to which wellbeing is enhanced through this mosaic of communities.

This report is concerned primarily with social and institutional capital; however, resources, processes and outcomes pertinent to the assessment of community strength include all of the following:

1. Natural capital

While the natural assets of a community, in terms of natural resources, ecosystems and aesthetic features, can contribute to the strength of the community, these assets vary considerably from one community to another. The challenge for the strength of communities is to use and develop the natural capital in ways which sustain and even enhance the natural capital.

2. Produced economic capital

Produced economic capital includes what a community produces in terms of manufactured or harvested goods, services that can be traded or sold, and knowledge that has economic value. It includes financial capital and the 'hardware' of infrastructure of communities. Produced economic capital can be measured through audits which provide a picture of resources and infrastructure at a particular point in time and through measures of changes in production over time. From the perspective of community strength, attention needs to be given to the extent to which produced economic capital is owned within, or available to, a community and is spread among the individuals within the community.

3. Human capital

Human capital includes the capacity of people to contribute to the community. It is dependent on their motivation to do so and their ability to do so as measured by their skills and knowledge, their capacity to adjust to changing circumstances, sometimes by acquiring new skills and knowledge, and the management of health and disability.

4. Social and institutional capital

Social and institutional capital includes the patterns and the qualities of the processes through which people engage with each other and with various organisations and expert systems (that is, systems of specialised expertise, such as retail systems, public utility systems, financial, legal, educational, health and other systems). Bearing on these processes are community structures and features, such as leadership and means of managing conflict.

a. Patterns of social processes

The patterns of processes that enhance community strength include **social participation**, both in terms of bonds with family members and close friends, and bridges with acquaintances, as well as patterns of interaction with strangers.

Community strength is seen in the extent to which people provide personal support for one another through bonds of family or friendship. It is seen, too, in the extent to which people engage in wider networks, ideally crossing boundaries of age, gender, ethnicity, religion, social class and education. Further, community strength is seen in links that people have with organisations and in the ability of individuals to negotiate and obtain access to the resources and services of organisations and expert systems. Access depends not only on the knowledge and skills of individuals but also on the transparency and responsiveness of organisations and systems.

Another process contributing to community strength is **civic participation**. This includes activities in which individuals work cooperatively for the sake of others or the sake of the community as a whole, through paid or voluntary work, through civic groups and activities, and through processes such as voting.

Some indicators of social participation and civic participation can be derived from information held by various organisations. However, much social and civic participation, including **voluntary work**, occurs informally. It would generally be easier to measure such patterns through the aggregate responses of individuals to surveys.

b. Qualities of social processes

The qualities of social processes are quite as important to community strength as is their quantity. Community strength is dependent on the extent to which there is **trust and trustworthiness** within bonds, bridges and links with organisations and systems, and in relation to strangers with whom one might deal. Trust that people will act according to their word, in accordance with social rules and norms, and will take into account the needs and interests of others in their actions, and the extent to which people act in such ways, enhances interaction, cooperation and community activities of many kinds. So also do attitudes of **altruism and reciprocity**, attitudes in which the wellbeing of others and the wellbeing of the community are given high priority. Measures of these qualities may look at reports of trust and trustworthiness, of other-oriented and community-minded behaviour and attitudes.

Having **shared norms, ideals and purposes** and a desire to pursue cooperative and community ideals and purposes also contributes to the strength of community, advancing interaction and cooperative activity. One issue in measuring cooperative activity is that special issues and concerns, even perceived weaknesses in community life, may bring people together. Sometimes it takes widely perceived problems to activate the processes in which the strength of community becomes apparent.

Community strength is enhanced by **a sense of community**. It is weakened when sections of a community feel that they are marginalised or excluded from its activities and benefits, and particularly from its decision-making processes. Thus, inclusive attitudes such as **tolerance of diversity and provision of equality of opportunity** contribute to community strength.

Attitudes of self-reliance and the ability to develop local solutions to local problems are also important indicators of community strength.

c. Structures governing social processes

Structures that govern and may enhance social processes include effective **leadership** and **mechanisms for managing community conflict**. Leadership that consults, develops appropriate and effective visions and strategies, and which motivates collective action can contribute greatly to community strength. While a certain level of controversy or conflict within a community may indicate vibrancy and social engagement, conflict needs to be managed to ensure that it does not become disruptive of community.

5. Outcomes in individual and collective wellbeing

These may be measured in a variety of ways:

- subjective measures of wellbeing;
- indicators of numbers falling below basic standards of wellbeing in areas such as material possessions, health, safety and maintenance of intimate relationships;
- indicators of unfulfilled needs or demands;
- measures of average levels and of the degree of variance in levels of wellbeing within a community; and
- assessments of the extent to which resources and infrastructure are being maintained and enhanced for the continued addressing of individual and collective wellbeing.

In choosing and using indicators, attention should be given to their validity, reliability and applicability to various types of community. The set of indicators should be comprehensive in scope, yet as simple as possible without endangering validity and reliability. Direct relevance to public policy is a further consideration.

It should be noted that the critical factors in the strengths and weaknesses of a community may vary from one community to another. Much more empirical work is needed to identify how factors relate to one another and which factors contribute most significantly to the quality of life in particular types of communities.

1 Introduction

1.1 The background and aims of the project

The primary context of this report is that of the Federal Government's announcement of a Stronger Families and Communities Strategy. In general terms, government policy documents have drawn attention to several components of strong communities including:

- strong leadership;
- skills and knowledge;
- expanding partnerships between public and private sectors; and
- a solid core of committed volunteers.

The Stronger Families and Communities Strategy goes on to say:

> In communities where these characteristics are weak, there is less capacity to meet the challenges of economic change and to cope with the pressures that lead to family and social breakdown. Lack of community leadership and community control over decision making also diminishes community strength (p. 4).

Various initiatives have already been announced to implement the Strategy, such as:

- nurturing potential leaders in local communities;
- helping voluntary workers build skills;
- supporting efforts to find local solutions to local problems; and
- setting up a 'Can Do Community Initiative' to showcase Australian best practice (p. 7).

These policies have been developed with the aim of building stronger family and community relationships. It is believed that stronger communities will help in preventing many social problems and will provide the basis for a better quality of life.

The aims of the present project are to:

- provide a review and analysis of literature on the conceptualisation and measurement of community strength and its outcomes;
- place this information in an appropriate analytical framework, identifying the commonalities and differences between various approaches to these issues;
- provide a clear and comprehensive menu of options of indicators for measuring community strength, especially indicators on which data are available or collectable; and
- evaluate those options as a total set.

Part 1 of the report begins the review of the literature on community indicators; this review extends through the other sections of this report.

Part 2 provides an analytical framework.

Part 3 considers the various domains in which indicators could be sought for a comprehensive assessment of community strength. In each domain, various indicators that might be used in measuring community strength are described and discussed.

Part 4 examines further general considerations in choosing and using the indicators as a total set, taking into account issues such as the need for comprehensiveness and reliability in the indicators, together with the practicality of data collection and applicability to issues of policy.

The political and social settings of this project provide parameters. The strength of community will be examined within the democratic nature of Australian political life in which all people are seen as having equal right and responsibility to choose their representatives at national, State and local levels of government. While some political and social values such as democracy are assumed, it is also recognised that Australia is politically, religiously and ideologically pluralistic. While some commonly-held values may be desirable for community strength, it is assumed that these must be negotiated in a pluralistic framework. Some particular interest-based communities within Australia may find their strength in religious or ideological commitment, but, for Australian communities in general, strength must be found within a pluralistic environment.

Socially, the strength of community is examined for large cities, rural towns and outback areas, as well as for interest-based communities. This project assumes that most people will have access to radio and television and will sometimes communicate using the telephone. Thus, community can be experienced not only in the face-to-face encounters of people, but also through electronic forms of communication.

Community life is dynamic in that it is always in flux and open-textured. Boundaries of communities can rarely be accurately defined and communities constantly interact with each other. There may be communities within communities, and it is possible to think of the nation as a 'community of communities'. As production and available resources change, the movement of people to find employment is inevitable. Consequently, from time to time, some particular communities may decline in size. Depending on the definition one adopts, this might or might not mean that there has been a decline in community strength.

Because of the similarities in political and social settings, most of the material examined in this project has been produced in Western democracies such as the United States of America, the United Kingdom, Canada and Australia. However, the authors have also been mindful of the special nature of Indigenous and ethnic communities in Australia and have been aware that some other factors may be relevant to community strength within them.

Indicators have been widely used in many spheres to monitor such phenomena as the health of people, the flow of rivers and the development of economies. In the sphere of community strength, the development of indicators has been a slower process. One reason is that the issues are not always clear-cut, and there have been political differences regarding the objectives to be attained in community life. Another reason is that the most effective indicators relate to basic

causes of conditions or changes, yet in the area of community strength the relevant factors are often numerous and related in highly complex ways. There is yet much empirical work to be done to determine what are the most significant causes of conditions or changes in community strength. Given the extent of empirical research to date, it is only possible to note factors that have been suggested as significant in community strength. As further empirical work is done in the coming years, so it will be necessary to refine the suggestions made here.

1.2 Types of community

The term 'community' which lies at the heart of this project has been the subject of much debate. The usage of the term can vary greatly from one context to another. Hillery (1955) identified 94 definitions of community and found many inconsistencies and differences of emphasis between them. Nevertheless, most of the definitions referred to social interaction within a geographic area and having goals or norms in common. More recently, the term 'community' has also been applied to categories of people who engage in a particular purpose, task or function together, or who have some form of identity in common, though not necessarily associated with the same locality. The shared function may be related to work, education, sport, or entertainment, for example. The shared identity might be that of ethnic origin, occupation, disability, age, gender, sexual orientation, religion or some other characteristic. Communities are sometimes created by a particular intersection of history that creates and sustains a group of people. In so far as the members of groups such as these interact and think of themselves as forming a community, we will speak of them under the heading of communities of interest.

Hence, this project focuses on two major types of communities:

- communities of location; and
- communities of interest.

Communities of location

Communities of location are usually defined by identifying physical boundaries that separate one group of people from another. In rural Australia, it is often relatively easy to identify a populated area and to distinguish one populated area from another. Between communities of locality may be open fields, natural bush, mountains, rivers or other features of the landscape which make the separations clear.

Nevertheless, in many rural areas, there will be a small, dense area of housing, surrounded by areas in which the housing is less dense. Occupants of these dwellings, along with others, perhaps living at some distance from the centre of population, may use the same sets of services and other resources, be subject to the same governance, and identify with the same community. In some cases, it may be better to identify communities of location in a centred way rather than in a bounded way. Instead of seeing people as either in a community or outside of it, it may be preferable to see people as close to the centre of a community or more peripheral to its life.

For many people, there is an ambiguity in what is their community. Many large centres of non-metropolitan population are surrounded by smaller centres. People may do some of their shopping in the small centre, but travel to the larger centre for major items. Children undertake their primary schooling in the small centre, but their secondary education in the larger centre. In other words, being simultaneously part of several communities is a common experience.

The ambiguity is more pronounced within the metropolitan areas of Australia. Most metropolitan residents live in a suburb that potentially provides a local identity. Some of their use of resources and services, experience of governance, and communication occurs within the local suburb. But other aspects of life occur across the suburbs. In many ways, people identify with the larger community of the city. They may work in another suburb or in the central business district, spending only a fraction of their time in the suburb where their home is located. In other respects, people may identify with the State where they reside or with the nation as a whole. With the availability of air travel and electronic forms of communication, it has become possible to work nationally and internationally, to experience being part of national and international communities. This means that an individual may identify with a range of geographical communities, apart from communities of interest. Table 1 provides information on the geographic groups with which Australians identify.

Table 1: Geographic groups with which Australians identify first and second (% of column total)

To which of these geographic groups would you say you identify yourself with first? And which geographic group next?	Geographic group identified with first		Geographic group identified with second	
	(%)	(n)	(%)	(n)
Locality or town where you live	32.3	662	22.8	466
State or region of Australia where you live	12.6	259	32.3	661
Australia as a whole	43.3	887	29.3	601
Asia	0.8	16	1.8	36
The world as a whole	9.9	203	11.9	243
Don't know	1.0	21	2.0	41
Total	100.0	2048	100.0	2048

Source: *World Values Survey*, Australia, 1995 (n = 2048).

Communities of interest

For many people, it is not the locality where they happen to reside that provides their primary experience of community life. Rather they find community through interest groups or functional groups. These may be work-related groups, and there is some evidence that the workplace is increasing in importance as a primary place of interpersonal interaction (see, for example, the significance of work for the development of partnerships between men and women in Hughes 2000). For others, a sporting group or a group of people who share a common interest or hobby provides a sense of community.

In considering communities of interest, one can come close to defining community subjectively: one's community is the group with which one identifies and which provides one with a particular sense of identity. There are some attractions in defining community in this way. Primarily, it resonates with the lived experience of people. It tends to reflect the forms of relationship and the patterns of communication that are important to them. It recognises that much communication and the sense of belonging are often not related to specific localities, but transcend physical barriers. Today, with the ease of electronic forms of communication, frequent communication can occur at an international level. Many academics, for example, identify with an international body sharing a similar field of expertise or interest. This body may have far more importance for them in terms of communication than do people who live locally. In fact, the Australian Community Survey conducted by the Edith Cowan University Centre for Social Research and NCLS Research in 1998 found that, in the cities, over 30 per cent of Australian adults communicated with no one in their residential locality about work interests, and over 25 per cent communicated with no one in the residential locality about their personal interests.

Subjective definitions of community have some disadvantages, however. They ignore the fact that most people draw on resources within a particular local area. While people may have few communications with the local government or local water board, resources provided by such agencies may be very significant to the maintenance of their lifestyle. Jim Ife (1995), an Australian expert in community development and advocate of certain forms of community development, argues that there should be a renewed emphasis on local communities and away from communities of interest or function. He notes that, from an ecological perspective, many issues need to be addressed in a specific locality. For every human being, there are issues of the use of natural resources and the disposal of waste products where they live.

Ife also argues that functional or interest-based communities fail to integrate populations. Rather, they encourage people with similar backgrounds, perhaps from similar socioeconomic levels, to communicate with each other, ignoring the person with a different ethnic background who lives down the street, or the person with a disability who may live nearby. Ife notes that, for the most disadvantaged segments of the population, interest-based communities that reach beyond a particular locality are often not options. Disadvantaged persons may not have the facilities for travel or for electronic means of communication. An exclusive focus on functional or interest-based communities may add to their sense of isolation and impoverishment (Ife 1995, p. 92).

Yet, as Ife also notes, the experience of interest-based and functional communities is very important to a great many people. They cannot be ignored. Rather than identifying community as occurring only in one way, it is important to recognise that different forms of community may occur in both interest-based and local communities.

The mosaic of contemporary community life

The experience of many Australians is that community life has become increasingly a mosaic. In a week, or in a day, many people move from one group of people to another. These groups of people revolve around particular interests or functions. The groups may

have little or no overlap with each other, and thus, for some people, the mosaic can be experienced in a fragmented way. It is not unusual to experience each group as speaking in different terms, working with different assumptions, focusing on different interests and needs. The language used, for example, in an adult education setting, a sporting club, on the floor of a factory or in a church, may be quite different. Assumptions about the underlying values that hold people together in these different settings may sometimes be incompatible with each other.

Even the workplace may present a diverse collection of relationships with employers and fellow employees, with different groups of clients and customers, and with various service and product providers. With work increasingly organised on a contractual basis, the workplace has become more fragmented and diverse.

In a rural town, there will often be an overlap of the groups and networks of people. To that extent, various functions and activities will be experienced as occurring within a single community. Nevertheless, the Australian Community Survey (1998) showed that most rural people had frequent contact with people in other rural towns or in other parts of the State, and many had international connections. They may experience these wider networks as part of the mosaic of community life.

In large cities, the lack of overlap means that people can take on quite a different 'persona' in each group or fragment of community life; self-identity may lack stability. At the same time, many people may feel that there is no sense in which they are part just of one community. Their involvement in community life is constantly changing both in forms of involvement and in the nature of the communities in which they are involved. Perhaps it is more appropriate to talk about networks of people rather than communities. People interact around particular needs or interests of the time, and dissipate again as the needs are met or as another network takes its place.

Is the very use of term 'community' indicative of a yearning to return to another time and another place, a romantic desire for *gemeinschaft* (community) in a world dominated by *gesellschaft* (large-scale organisation)? Some people have argued that community, as distinct from mass society, no longer exists in the large cities of the world and that there is little point in talking about how it might be strengthened. It is unrealistic to expect to return to village lifestyles where everyone knows everyone else, and where cooperative community activity is easy to organise. At the same time, people do experience community within the fragmentation. Mutual support, acts of generosity and reciprocity, shared norms and public-spirited behaviour can still exist. There is always potential for improvement in the inter-personal and inter-group relationships within or between communities. One approach to strengthening community is to take initiatives in a particular locality. Another approach is to take initiatives that will impact on community life across the mosaic of experiences of it.

1.3 Strength of communities

The term 'strong communities' has not often been used in the scholarly literature on community life, either in Australia or overseas. However, a range of other terms have been used, which capture some aspects of the wellbeing of communities or articulate goals for community life. It is useful to review literature on some of these terms:

- sustainable communities
- resilient communities
- community capacity
- community development
- healthy communities.

Lists of desirable characteristics of community life have been produced in relation to each of these concepts. While there are some differences in these lists, there are also overlapping ideas. We shall consider some of the main ideas under each of these headings.

Sustainable communities

The notion of sustainable communities has arisen in the context of the awareness that many resources are becoming depleted or damaged. The earth does not have a limitless supply of oil or other fossil fuels, for example. Thus, a way of life that is dependent on these particular forms of energy may not be sustainable indefinitely. Likewise, although water resources are replenished through various ecological processes, the availability of water in any particular place is not limitless. Community life must be so designed that water is not used at a greater rate than it can be replenished. The same principle applies to other resources.

The notion of sustainability arises from an ethical consideration that equity must be considered over generations. If by depleting or damaging resources now we prevent later generations from achieving at least a similar quality of life, then our lifestyle is unacceptable according to the formal ethical principle of 'universalisability' (Hare 1963, pp. 10–13). Hence, sustainability implies intergenerational equity in access to resources, a principle which was adopted by the World Commission on Environment and Development (1987) in its report, *Our Common Future*. That report defined sustainable development as development that meets the needs of the present without compromising the ability of future generations to meet their own needs.

In consideration of this principle, there have been some differences in opinion about whether substitution of one resource for another is possible. As fossil fuels are being depleted, is it acceptable to expect that future generations will use other forms of power generation instead? The problem is that human beings, at any particular point in time, cannot be certain what future sources of energy and of various other resources may become available. Some resources may be irreplaceable.

It has become evident that not only resources themselves may become scarce, but also ecosystems may be damaged. It may not be possible to re-grow a rainforest, as its destruction will change the actual climate in the area, the flow of water, the nature of the soil, and other parts of the whole ecosystem. The use of insecticides may lead to a reduction in the numbers of insect pests but it may also lead to the breeding of insects that are immune to the insecticide. Also, the reduction in numbers of insects will lead to reductions in the predators of the insects.

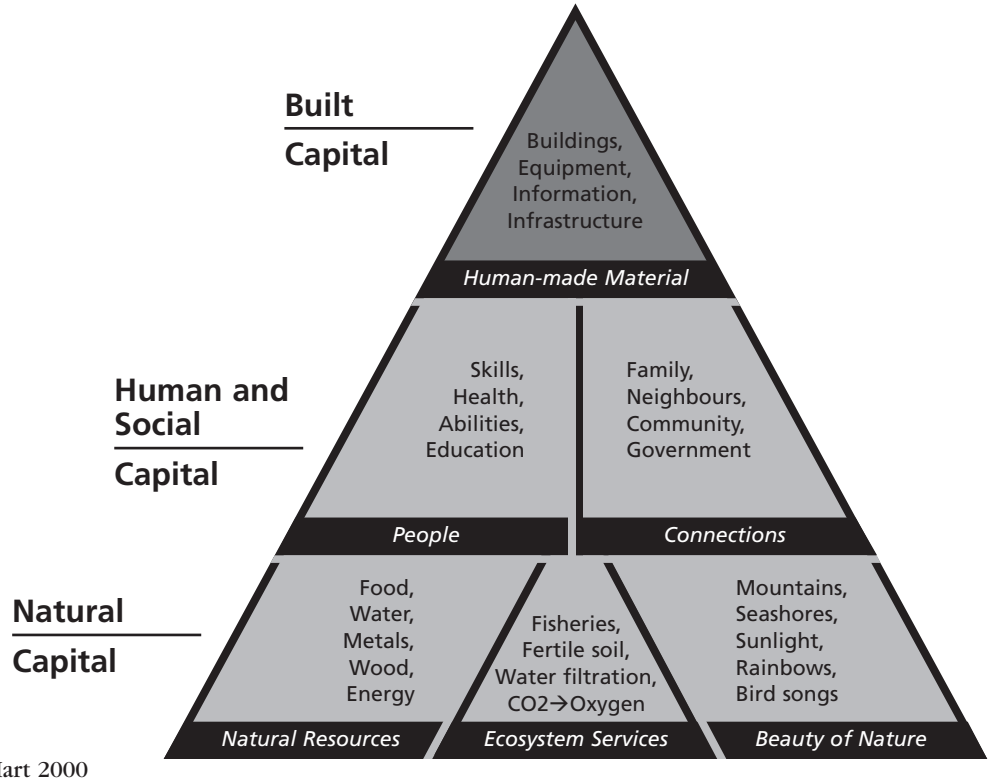
The principle of sustainability may also be applied to places of aesthetic worth. Is one generation handing on to the next the same quantity and quality of places of aesthetic value? In other words, are communities caring for places of special beauty for the sake of following generations?

The notion of sustainability has also been applied to other aspects of life and society. Maureen Hart (2000) has built a large database of social indicators around the notion of sustainability, under the headings of:

- natural capital
- human and social capital
- built capital.

Figure 1 summarises her concepts of these different types of capital.

Figure 1: Types of capital to which Hart applies the concept of sustainability



Source: Hart 2000

Hart argues, for example, that the notion of sustainability can be applied to human capital. Human capital is depleted when communities allow deterioration to occur in levels of education or health. Likewise roads, buildings and other features of produced economic capital need to be maintained if the next generation is to have a quality of life at least equal to that enjoyed by the present generation

Hart is not arguing for a return to some past form of existence or for a halt to human progress. Rather, she says 'A sustainable community takes good care of all its capital, natural, human and social in addition to its built capital, in order to continually improve the quality of life of all its inhabitants'.

Elizabeth Kline (1995) has also developed a list of characteristics of a sustainable community. She notes that Anthony Cortese has defined community sustainability as:

> … the ability of a community to utilise its natural, human, and technological resources to ensure that all members of present and future generations can attain a high degree of health and wellbeing, economic security and a say in shaping their future while maintaining the integrity of the ecological systems on which all life and production depends.

Kline (1995) names the following four characteristics as central in a sustainable community:

Economic security
A more sustainable community includes a variety of businesses, industries, and institutions that are environmentally sound (in all aspects), financially viable, provide training, education and other forms of assistance to adjust to future needs, provide jobs and spend money within the community, and enable employees to have a voice in decisions which affect them. A more sustainable community also is one in which residents' money remains in the community.

Ecological integrity
A more sustainable community is in harmony with natural systems by reducing waste into non-harmful and beneficial products and by utilising the natural ability of environmental resources for human need without undermining their ability to function over time.

Quality of life
A more sustainable community recognises and supports people's evolving sense of wellbeing, which includes a sense of belonging, a sense of place, a sense of self-worth, a sense of safety, and a sense of connection with nature, and provides goods and services which meet people's needs both as they define them and as can be accommodated within the ecological integrity of natural systems.

Empowerment with responsibility
A more sustainable community enables people to feel empowered and take responsibility based on a shared vision, equal opportunity, ability to access expertise and knowledge for their own needs, and a capacity to affect the outcome of decisions which affect them.

In the above definitions, economic, ecological and social aspects of sustainability are closely interwoven. A key element is the notion of equity and fairness, not just for the present, but also for the future. In the same publication, Kline (1995) proposes specific indicators for various characteristics of sustainable communities, as defined above.

'Sustainability' suggests the idea of maintenance of community life. However, it does not necessarily imply that things remain static. The term 'sustainable development' implies a dynamic concept of sustainability: it captures the notion of progress in a sustainable way. A strong community will experience sustainable development.

Resilient communities

Another relevant notion is that of community resilience. Robert Theobald (http://www.resilientcommunities.org) defined resilience as 'the ability of systems to cope with shocks and bounce back'.

Conway (1987) distinguishes two sorts of disturbances. A stress is a 'frequent, sometimes continuous, relatively small and predictable disturbing force that has a large, cumulative effect'. Soil erosion or declining market demand are examples of stresses. A shock is 'an infrequent, relatively large, and unpredictable disturbing force which has the potential of creating an immediate large disturbance or perturbation' such as an unusually severe flood. A resilient community is one that is able to respond effectively and bounce back in the face of adverse circumstances, whether these be economic, environmental or social. A contemporary example is provided by the town of Moora, Western Australia, which has recently been devastated by three 'once in a century' floods but managed to survive these devastations and plan constructively for the future, winning an award as Australia's 'Community of the Year'.

The Centre for Community Enterprise (CCE), a Canadian organisation, sees a resilient community as one that 'takes intentional action to enhance the personal and collective capacity of its citizens and institutions to respond to, and influence the course of, social and economic change' (CCE 2000a, p. 2). The CCE's particular focus is on rural communities, although it notes that the community economic development strategies it propounds have also been used, and some even invented, in larger urban settings (CCE 2000b, p. 3). According to the CCE, a resilient community generally has the following characteristics:

1. Leadership, both formal elected and informal organisational, is diversified and representative of age, gender and cultural composition of the community.
2. Elected community leadership is visionary, shares power and builds consensus.
3. Community members are involved in significant community decisions.
4. The community feels a sense of pride.
5. People feel optimistic about the future of the community.
6. There is a spirit of mutual assistance and cooperation in the community.
7. People feel a sense of attachment to their community.

8. The community is self-reliant and looks to itself and its own resources to address major issues.
9. There is a strong belief in and support for education at all levels.
10. There is a variety of community economic development organisations in the community such that the key community economic development functions are well-served.
11. Organisations in the community have developed partnerships and collaborative relationships.
12. Employment in the community is diversified beyond a single large employer.
13. Major employers in the community are locally owned.
14. The community has a strategy for increasing independent local ownership.
15. There is an openness to alternative ways of earning a living and economic activity.
16. The community looks outside itself to seek and secure resources (skills, expertise, finance) that will address areas of identified weakness.
17. The community is aware of its competitive position in the broader economy.
18. The community has an economic development plan that guides its development.
19. Citizens are involved in the creation and implementation of the community vision and goals.
20. There is on-going action towards achieving community economic development goals.
21. There is regular evaluation of progress towards the community's strategic goals.
22. Organisations use the community economic development plan to guide their actions.
23. The community adopts a development approach that encompasses all segments of the population.

The above list puts a strong, though not exclusive, emphasis upon structures and strategies for community economic development. This emphasis is in part a response to the fact that rural, fishing and mining communities have been confronted with the stress and uncertainty of volatile commodity markets and other pressures such as technological change and environmental concerns. Communities that have been dependent upon producing one particular commodity or have relied heavily upon one major employer have been most vulnerable to changing circumstances. While stressing the importance of self-reliance and of local ownership and control, the CCE recognises that optimal use of local resources and skills may need to be supplemented by careful use of resources, information and skills from elsewhere. Many of the more general points made in items 1 to 9 appear in other lists of the characteristics of strong, successful, vibrant, healthy or resilient communities. The CCE also outlines various indicators to measure progress toward the achievement of the above 23 characteristics. These indicators make use of data derived from various sources, such as documents, interviews, surveys and community meetings.

The notion of 'community resilience' focuses on the ability of a community to respond effectively to shocks and stresses, including the personal and collective capacity of its citizens and institutions to respond to, and influence the course of, social and economic change. A strong community will be resilient, responding to challenges dynamically and creatively.

Community capacity

The concept of 'community capacity' is used by the Aspen Institute (1996) to refer to 'the combined influence of a community's commitment, resources and skills that can be deployed to build on community strengths and address community problems and opportunities'. In this definition:

- **commitment** refers to the community-wide will to act, based on a shared awareness of problems, opportunities and workable solutions. It refers also to heightened support in key sectors of the community to address opportunities, solve problems and strengthen community responses.
- **resources** refers to financial, natural and human assets and the means to deploy them intelligently and fairly. It also includes having the information or guidelines that will ensure the best use of these resources.
- **skills** includes all the talents and expertise of individuals and organisations that can be marshalled to address problems, seize opportunities, and to add strength to existing and emerging institutions.

According to the Aspen Institute, these three ingredients of community capacity do not 'just happen'. Rather, they are developed through effort, initiative and leadership. The Institute has also identified eight major outcomes of community capacity building. These are as follows:

1. Expanding, diverse, inclusive citizen participation.
   In a community where capacity is being built, an ever-increasing number of people participate in all types of activities and decisions. These people include all the different parts of the community and also represent its diversity.
2. Expanding leadership base.
   Community leaders who bring new people into decision-making are building community capacity. But the chance to get skills and to practice and learn leadership are also important parts of the leadership base.
3. Strengthened individual skills.
   A community that uses all kinds of resources to create opportunities for individual skill development is building community capacity in an important way. As individuals develop new skills and expertise, the level of volunteer service is raised.
4. Widely shared understanding and vision.
   Creating a vision of the best community future is an important part of planning. But in community capacity building, the emphasis is on how widely that vision is shared. Getting to agreement on that vision is a process that builds community capacity.

5. Strategic community agenda.
   When clubs and organisations consider changes that might come in the future and plan together, the result is a strategic community agenda. Having a response to the future already thought through community-wide is one way to understand and manage change.

6. Consistent, tangible progress toward goals.
   A community with capacity turns plans into results. Whether it is using benchmarks to gauge progress or setting milestones to mark accomplishments, the momentum and bias for action come through as a community gets things done.

7. More effective community organisations and institutions.
   All types of civic clubs and traditional institutions—such as churches, schools and newspapers—are the mainstay of community capacity building. If clubs and institutions are run well and efficiently, the community will be stronger.

8. Better resource utilisation by the community.
   Ideally, the community should select and use resources in the same way a smart consumer will make a purchase. Communities that balance local self-reliance with the use of outside resources can face the future with confidence.

The Aspen Institute's concept of 'community capacity' draws attention to the need to develop the resource base of communities through participation, leadership, education and developing a vision and agenda for a community. The Institute has developed an extensive list of indicators for the outcomes listed above.

The Asset-Based Community Development Institute (ABCD Institute) at Northwestern University in the United States works from the premise that:

> Every time a person uses his or her capacity, the community is stronger and the person more powerful. That is why strong communities are basically places where the capacities of local residents are identified, valued and used. Weak communities are places that fail, for whatever reason, to mobilise the skills, capacities and talents of their residents or members (Asset-Based Community Development Institute 1993).

An ABCD Institute publication, *Building communities from the inside out; a path toward finding and mobilising a community's assets* (Kretzmann & McKnight 1993), has sold over 60 000 copies. Its approach to community development is radically different from approaches that begin by identifying a community's needs, deficiencies and problems. Instead it begins with a detailed inventory of a community's human capital (McKnight & Kretzmann 1996). This inventory seeks detailed information about individuals' skills, their work experience, education and training, and experience in starting a business. An inventory is also made of local organisations and associations and of available physical and financial resources, including consumer spending power. While not denying that additional resources from outside the community might be needed, the main emphasis is upon community development that is:

- **asset-based**—starting with what the community has, rather than with what is absent or problematic;

- **internally focused**—stressing the primacy of local definition, investment, creativity, hope and control; and
- **relationship-driven**—building or rebuilding relationships between and among local residents, local associations and local institutions.

In other words, the primary focus is on processes for identifying, mobilising and enhancing local assets and capabilities. A strong community will develop its capacity in these ways.

Community development

There is a large body of literature under the heading of 'community development' which is relevant to strengthening communities. The Scottish Community Development Centre (2000b), for example, defines community development as supporting 'the establishment of strong communities'. It identifies strong communities as ones that are:

- knowledgeable
- skilled
- empowered
- participative
- self-sufficient
- stable
- organised
- materially improved.

The Centre sees the following principles as fundamental in achieving strong communities:

- effective collaboration
- sustainable development
- participatory democracy
- life long learning and education
- equal opportunities.

Its model of community development identifies inputs, processes, outputs and outcomes. The inputs include community resources and external resources and policies. The processes are primarily those of empowerment which it sees as occurring through personal empowerment, positive action, development of community organisations, and participation and involvement. The outcomes are seen in terms of the quality of life, and include:

- economic development—measured through material gains, anti-poverty activities, job creation;

- social development—measured through education, health, housing, social services;
- environmental development—measured through resources, quality, transport;
- community safety—measured through personal safety and effective policing;
- community satisfaction—measured through satisfaction with community life and services, and expectations for the future; and
- long-term viability.

Building in part on the work of the Scottish Community Development Centre, the Active Community Unit of the British government (Home Office Active Community Unit 1999) has identified the characteristics of a 'good and well-functioning community'. It will be:

1. **a learning community** where people and groups gain knowledge, skills and confidence through community activity;
2. **a fair and just community** which upholds civic rights and equality of opportunity, and which recognises and celebrates the distinctive features of its cultures;
3. **an active and empowered community** where people are fully involved and which has strong and varied local organisations and a clear identity and self-confidence;
4. **an influential community** which is consulted and has a strong voice in decisions which affect its interests;
5. **an economically strong community** which creates opportunities for work and which retains a high proportion of its wealth;
6. **a caring community** aware of the needs of its members and in which services are of good quality and meet these needs;
7. **a green community** with a healthy and pleasant environment, conserving resources and encouraging awareness of environmental responsibility;
8. **a safe community**, where people do not fear crime, violence or other hazards;
9. **a welcoming community** which people like, feel happy about and do not wish to leave; and
10. **a lasting community** which is well established and likely to survive.

In Australia, Susan Kenny has contributed significantly to the conceptualisation of community development. Like the Scottish Community Development Centre, she has emphasised that the key process in strengthening society is empowerment, through which inequalities of access to resources and control over assets and information are overcome, and the exploitation and oppression of some groups by others is addressed (Kenny 1994, p. 118). She provides a list of 'key manifestations of an empowered community'. These encapsulate the aims of community development, namely that all members of the community:

- have access to open and democratic community structures;

- have optimum and meaningful participation;
- can make a real choice in lifestyles;
- have the physical health and energy to participate;
- are accepted for what they are;
- have a real voice of their own, with the right to speak in their own words and be listened to;
- have access to reliable information;
- have access to resources which positively affect their wellbeing;
- have self-esteem and are treated with dignity and respect;
- believe in the right to control their own destiny;
- have reason to believe that participation in decision-making processes is meaningful and productive;
- work and live in an non-authoritarian environment with egalitarian structures;
- collectively decide on and prioritise their own needs, issues and problems;
- collectively decide how to manage needs, issues and problems, and develop their own strategies;
- collectively decide on future directions for their community's development; and
- have the right not to participate in community decisions and processes.

(Kenny 1994, pp. 121–22)

Jim Ife (1995) has developed a similar notion of community development. However, he has combined it with ecological analysis. He argues that community development takes place today within the context of major risk of environmental collapse. Social justice concerns must be put alongside ecological concerns. He identifies 22 principles as keys to community development (chapter 8):

1. integrated development including social, economic, political, cultural, environmental, and personal/spiritual development;
2. confronting structural disadvantage associated with class, gender, race and ethnicity, age, disability and sexuality;
3. protection and promotion of human rights, such as the right to meaningful work, freedom of association, and freedom of expression;
4. sustainability, ensuring long-term viability;

5. empowerment through providing people with resources, opportunities, knowledge and skills to increase their capacity to determine their own future, and to participate in and affect the life of their community;
6. linking of personal and political issues through consciousness raising and developing programs of action;
7. widening of community ownership of facilities, structures and processes;
8. maximisation of self-reliance;
9. independence from the state: self-reliance means that government sponsorship of community development may sometimes weaken communities;
10. striking a balance between immediate goals and ultimate visions;
11. recognition of the organic and dynamic character of community development processes;
12. community control of the pace of community development processes;
13. non-imposition of externally determined agendas and expertise;
14. strengthening of social interactions in ways that lead to genuine dialogue, understanding and social action;
15. recognition that processes and outcomes are closely linked and that both are important;
16. ensuring the integrity of processes in terms of such issues as sustainability, social justice, and similar ideals;
17. seeking to change structures of violence through non-violent means;
18. inclusiveness, which means openness to one's opponents;
19. building consensus;
20. working cooperatively;
21. maximising participation; and
22. defining 'need' cooperatively.

Healthy communities

Some people have articulated their vision for community life in terms of the creation and maintenance of 'healthy communities'. The term 'healthy' is used here to refer not only, or even primarily, to the physical and mental health of individuals or populations. Rather, the focus tends to be on the social, economic and, in some cases, ecological wellbeing of communities. For example, Lackey et al. (1987) contend that the goal of community development should be to develop healthy communities, in which there would be:

- local groups with well-developed problem solving skills and a spirit of self-reliance;

- broadly distributed power, commitment to the community and wide participation in civic affairs;
- leaders with vision and a strong sense of community loyalty;
- collaboration and consensus on goals and priorities;
- citizens with problem solving skills and the ability to acquire resources;
- government that provides enabling support; and
- ability to manage community conflict.

Bruce Adams (1995) of the Pew Partnership for Civic Change contrasts healthy and unhealthy communities as in Table 2.

Table 2: Adams' outline of differences between healthy and unhealthy communities

HEALTHY	**UNHEALTHY**
optimism	cynicism
focus on unification	focus on division
'We're in this together'	'Not in my backyard'
solving problems	solution wars
reconciliation	hold grudges
consensus building	polarisation
broad public interests	narrow interests
interdependence	parochialism
collaboration	confrontation
win-win solutions	win-lose solutions
tolerance and respect	mean-spiritedness
trust	questioning motives
patience	frustration
politics of substance	politics of personality
empowered citizens	apathetic citizens
diversity	exclusion
citizenship	selfishness
challenge ideas	challenge people
problem solvers	blockers and blamers
individual responsibility	'me first'
listening	attacking
healers	dividers
community discussions	zinger one-liners
focus on future	redebate the past
sharing power	hoarding power
renewal	gridlock
'We can do it'	'Nothing works'

Source: Adams 1995

In America, the Healthy Community Agenda Campaign (2000) has delivered the message that a healthy community:

- practices ongoing dialogue;
- generates leadership;
- shapes its future;
- embraces diversity;
- knows itself;
- connects people and resources; and
- creates a sense of community.

In 1990, the World Health Organisation (cited in Wills 2000, p. 1) set out 11 qualities of a healthy city. These are:

1. a clean, safe physical environment of high quality, including quality housing;
2. an ecosystem that is stable now and in the long term;
3. a strong, mutually supportive and non-exploitative community;
4. a high degree of participation and control by the public over decisions affecting their lives;
5. the meeting of basic needs (water, shelter, income, safety and work) for all the city's people;
6. access to a wide variety of experiences and resources with the chance for a wide variety of contact, interaction and communication;
7. a diverse, vital and innovative city economy;
8. the encouragement of connectedness with the past, with the cultural and biological heritage of city dwellers and with other groups and individuals;
9. a form that is compatible with and enhances the preceding characteristics;
10. an optimum level of appropriate public health and sick care services accessible to all; and
11. high health status—high levels of positive health and low levels of disease.

Likewise, in a paper at the Australian Pacific Healthy Cities Conference in Canberra, June 2000, Jenny Wills of the Centre for Public Policy, University of Melbourne, argued that health can be applied to the various dimensions of community life and can refer to physical, social and mental health. She suggested that as applied to the physical or built environment it means livability, in the economic domain it means viability and prosperity, in the social domain equity and conviviality, and in the natural domain, sustainability.

However, she contended that the key to healthy communities is democratic governance. Democratic governance, unlike corporate forms of governance, encourages participation, respect for different opinions, devolving control and decision-making, empowering groups and

promoting tolerance. It requires accountability. Democratic governance encourages active citizenship, the development of social capital and social justice. These, she holds, are the building blocks of healthy communities (Wills 2000).

1.4 Evaluation of the notions of a strong community

Two related tasks emerge from this review of the literature. The first is to define 'community strength' for the purpose of this report. The second is to identify which characteristics might be considered as contributing to strong communities.

The term 'strong communities' has both a descriptive element and a normative element. The 'strength' of the community may be the desirable outcomes, processes, or resources for a community, or the relationships between these three aspects. The ways in which the term is defined will determine the direction of the development of policy.

There are various ways in which the notion of a strong community may be defined and developed.

1. In the past, religious and ideological traditions have played a significant role in providing a common set of values and vision of what community could be. Most religions and ideologies contain ideals and ultimates. They have provided 'guiding stories' that have been shared by communities. However, Australia is self-consciously pluralistic and no one religion or ideology can provide a vision for all people. Religious visions, ideals and values have tended to become more significant at personal levels and for some particular communities of interest rather than a direct guide for public policy.

2. The literature provides various conceptualisations of the characteristics of sustainable, resilient or healthy communities. Commonalities and differences in the lists may provide some keys as to what might be more central characteristics and what might be more peripheral. The fact that a characteristic is seen as important in a range of settings may be indicative of its broad significance.

   Strength is seen in many contexts as the capacity to act. An emotionally strong person can act appropriately and maintain emotional stability in an emotionally demanding situation. In a similar way, 'community strength' may refer to the capacity for community action as referred to in the literature on 'community capacity'.

   The notions of sustainability, resilience, capacity and health, as applied to communities, all point to the 'capabilities' of communities to maintain and enhance outcomes. Sustainability is the capacity to maintain outcomes not just for the present, but for future generations. Resilience contains the idea of maintaining outcomes in the face of shocks and stresses which might otherwise diminish the capacity of a community. Healthy communities are able to maintain and enhance life and vitality. The terms sustainability, resilience and health, then, can be seen as contributing to the notion of strength.

When applied to individuals, 'strength' can be envisaged in both physical and moral ways. The morally strong person maintains moral principles. The literature on community development points to the moral dimension of community strength, suggesting that strength is found where there is equity, participation and collaboration in the processes. Sustainability also emerges as a moral objective, preserving equity for future generations.

While the common themes in the literature are helpful in pointing to key concepts, such themes in themselves do not provide a strong foundation for policies directed toward assessing, maintaining or enhancing community strength. What is affirmed by one group may not be affirmed by others. What is important to one group is not necessarily important to others.

Mike Salvaris (1998, p. 42). of the Citizenship Project has contemplated this diversity. If we were to survey national priorities, he asks, where would people place their priorities. Would they give priority to a society that:

- is politically and militarily strong;
- is rich and economically powerful;
- maximises the material wellbeing of all its citizens;
- is diverse, multicultural and tolerant, valuing difference and creativity;
- has a high sense of community, harmony, mutual support, and social solidarity;
- is just—characterised by fairness and equality;
- is democratic and free; and
- respects, preserves and enhances its natural resources.

3. It has been argued that it is possible to derive a range of ethical values from some formal ethical principles that are embedded in the very nature of social relationships and language. R. M. Hare (1963), one time professor of moral philosophy at the University of Oxford, argued that the basic ethical principle is that of universalisability. Ethical soundness is determined by asking whether particular patterns of behaviour can be applied to all people in all circumstances. What is ethically good for one person must be good for another. Universalisability implies some forms of basic equity. Applied across class, gender and other divisions, it leads to social justice. Applied to the exercise of power, it may imply democracy. Applied across generations, as argued previously, it leads to sustainability. However, there are many issues of personal behaviour, social action and public policy that cannot be unequivocally resolved by application of such formal principles.

4. A fourth method is to develop the concept of a strong community by reference to the needs of human beings. One of the issues is: who defines what human beings need. Is this a responsibility of the state, or professionals within the state, or the people themselves? In 1972, Bradshaw (quoted in Ife 1995, p. 66) identified four categories of needs:

- **normative need**—as defined by an authority in accordance with an accepted standard, such as a defined poverty line;

- **felt need**—as experienced by people themselves, and assessed, for example, through social surveys;

- **expressed need**—as revealed through people's seeking a particular product or service; and

- **comparative need**—inferred from comparisons with needs in other places (for example, a certain number of hospital beds per capita to correspond with national averages).

These distinctions show something of the complexity of the notion of 'need', as well as some of the approaches that have been adopted to identify needs.

Some people hold that all human needs are relative. However, many others argue that there are some needs that are universal, applicable to all people in all circumstances. There are certain commonalities in the very nature of human beings from which specific needs can be identified. At the physical level, all human beings need food, water, air and shelter for survival. Because all human beings are physically vulnerable, all need a measure of safety. At the psychological level, psychologists such as Abraham Maslow (1954) have argued that all human beings have the need to belong, to be loved, to have self-esteem and self-actualisation, although some 'higher order' needs might not become salient until lower order needs are met.

Most of these basic needs, at the individual level, can be re-phrased in terms of rights. Many are enshrined in the United Nations 'Universal Declaration of Human Rights' (1948). They provide a possible framework for defining some key features of a 'strong community' just as they provide a basis for the pursuit of social justice (Ife 1995, p. 70).

The notion of 'wellbeing' has been widely used to speak about the ends that human beings desire to achieve. This notion takes account of the basic needs of human beings, but also goes beyond essential needs to the qualities of life a person may desire. The literature on wellbeing has identified those areas which commonly contribute to people's feeling satisfied with life. It also leaves open the possibility that there will be differences in what is seen as contributing to life satisfaction.

Much of the literature about wellbeing has been focused predominantly at an individual level. However, it is possible to deduce corresponding elements of collective wellbeing. Table 3 presents a number of examples based on the elements of wellbeing identified by Robert Cummins (Cummins et al. 1994, Cummins 1998).

Table 3: Elements of wellbeing and desirable community outcomes

Element of wellbeing	Examples of desirable community outcomes
1. Material wellbeing: 'things you own'—includes income, personal possessions, and housing.	Meeting of community's material needs—such as food, water, housing. Doing so in a way that is socially fair and just. Protection of the environment.
2. Health: based on an assessment of any disabilities or medical conditions.	Raising levels of public health and awareness of factors affecting health.
3. Productivity: 'what you achieve in life'.	Increased availability of employment that is fulfiling and productive to those employed and has reasonable rates of pay; reduced levels of unemployment.
4. Safety: protection from harm.	Increased public safety; decreased risks of injury, loss of possessions and other crime.
5. Place in community: 'doing things with people outside your home'.	Increased social and civic participation; neighbourliness and helpfulness to others; volunteering.
6. Emotional wellbeing: 'happiness'.	Collective wellbeing expressed in trust, norms, sense of belonging and social solidarity.
7. Intimacy: 'close relationships with family and friends'.	Strong family and structures of intimate relationships.

5. The areas in which there are different perspectives on wellbeing take us into a fifth approach to defining and developing the notion of a 'strong community': asking people what they want in their personal and collective lives, what are the outcomes they would like to see achieved. This process, in its own right, will build some ownership of the dreams and visions, and may motivate people towards achieving them. It is inherently democratic in that it begins with the direct expressions of the members of the community.

   This approach will not necessarily achieve results that are constant or easily generalisable from one group to another. It is inevitable that people will express a variety of wishes, some of which will be compatible with each other, but others will not. On the other hand, to develop the notion of community strength without reference to what people want may be detrimental to any attempts to achieve community strength. Values and programs imposed from outside a community are unlikely to achieve their aims unless there is some measure of agreement and acceptance within that community.

Defining 'community strength'

In the light of the above discussion of 'wellbeing', we suggest that this term could be used in the definition of community strength to capture the outcomes which individuals and groups might desire to achieve. The seven areas of wellbeing listed in Table 3 described above are widely accepted, but the term may also refer to desired outcomes that could vary from one group or individual to another. Thus, community strength is about the maintenance and enhancement of wellbeing at both individual and collective levels.

From this general basis, the notion of 'community strength' may be conceived in two ways. The first, which could be described as the narrow way, focuses on what **social characteristics** give strength to communities. An example of a narrow definition would be: 'Community strength refers to the extent to which **social** relationships and **social** processes within a community maintain and enhance both individual and collective wellbeing.'

Or 'community strength' may be defined broadly in terms of the variety of resources and processes that can contribute to wellbeing. An example of a broad definition would be: 'Community strength refers to the extent to which **all** resources and processes within a community maintain and enhance both individual and collective wellbeing.'

The resources mentioned in this second definition include: natural capital, produced economic capital, human capital, and institutional and social capital. To build the moral dimension of community strength into the definition, and recognise the democratic nature of society which is the setting for this consideration of community strength, the following clause might be added: 'in ways consistent with principles of **equity**, **comprehensiveness**, **participation**, **self-reliance** and **social responsibility**'.

1. Equity

Equity has to do with equality of opportunity within society to achieve access to the resources for the maintenance and enhancement of wellbeing. In other words, a strong community does not have divisions based on the circumstances of birth, such as race or social class, which, irrespective of effort, provide one group with greater opportunity to enhance its wellbeing at the expense of another group. Particular social groups within a strong community are not excluded by its decisions. Nor does it enhance the wellbeing of the present generation at the expense of future generations: its strength involves sustainability. Indeed, strong communities are committed to creating a community in which future generations will enjoy even higher levels of wellbeing.

2. Comprehensiveness

Further, a strong community acts for the wellbeing of the whole person and the whole community. It does not enhance one aspect of wellbeing at the cost of other aspects of wellbeing. For example, it does not enhance economic wellbeing at the cost of freedom of action and speech, or at the expense of social wellbeing. Likewise, a strong community embraces opportunities for sustainable economic development rather than subordinating these to outmoded or inappropriate social practices of one kind or another.

3. Participation

A strong community involves its members in decision-making and in other forms of community action. In particular, it ensures that people who are affected by decisions have a say in them. A strong community does not act coercively, but is democratic in its decision-making processes.

4. Self-reliance and social responsibility

A strong community enhances wellbeing as much as possible from its own resources, but recognising its inter-dependence with other communities. It does not deliberately enhance the wellbeing of its own members at the expense of members of other communities.

Thus, we propose the following definition of community strength: **Community strength refers to the extent to which resources and processes within a community maintain and enhance both individual and collective wellbeing in ways consistent with the principles of equity, comprehensiveness, participation, self-reliance and social responsibility.**

Most people belong to a variety of communities and find in a variety of contexts the resources that meet their needs. The functions of community life are often not fulfilled in the context of any one community. In that regard, it may be more appropriate, in examining some aspects of community strength, to focus on the strength of community experience, rather than on the strength of any particular geographical or interest-based community.

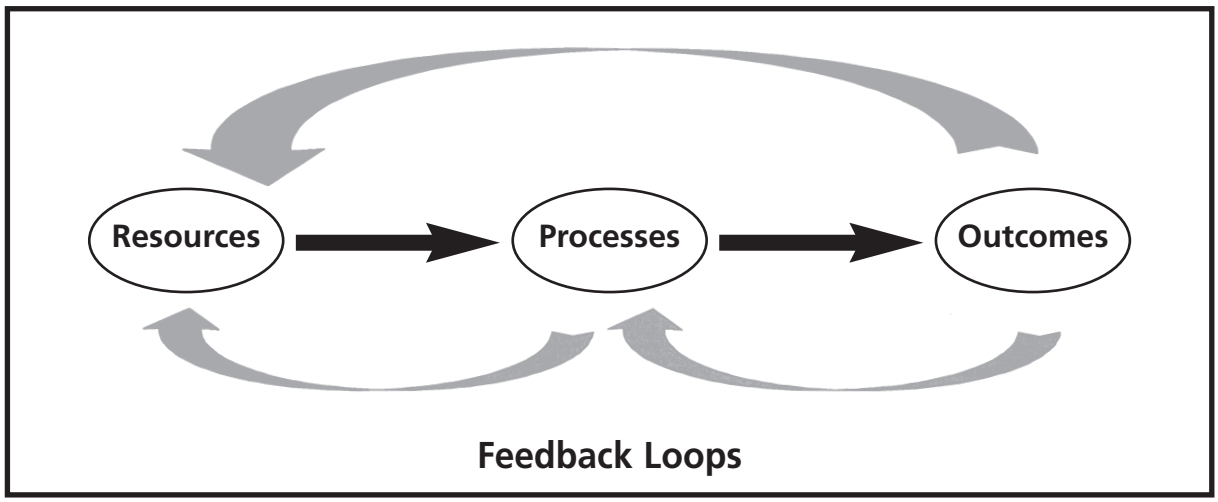
The experience of community will be 'strong' when the experience of wellbeing is enhanced in ways that are:

- resilient, in that the experience is able to withstand shocks and stresses;
- equitable and sustainable, in that it is not occurring at an unreasonable cost to other groups in the community or to future generations;
- comprehensive, in that the range of basic needs is addressed;
- participatory, in that people are involved in processes of decision-making about both the definition of wellbeing and the ways of achieving it, recognising the mutual responsibilities that members of the community have towards each other; and
- encouraging of both self-reliance and social responsibility, in that people are encouraged to turn to their own resources first, while recognising that all people in community are inter-dependent.

2 Analytical framework

The broad analytical framework for this study draws on a distinction between three categories of variables: resources, processes and outcomes. As will become evident in the course of the analysis, these are dynamically interrelated. Resources provide a basis for processes, but some resources may also be created (or destroyed) by some of those processes. Outcomes of processes can be linked by positive or negative feedback loops both to processes and to resources, as indicated in Figure 2.

Figure 2: Analytical framework



This analytical framework assumes that there is a micro level of individuals who have access to certain resources, who are involved in actions and who seek to obtain outcomes. In some respects, this micro level is the level at which individual purpose operates. The macro level of community analysis is not simply a reference to the aggregate of individual actions, but often involves individual actions as elements. (See, for example, the discussion in Coleman 1990, chapters 1 and 2.)

2.1 Community resources

The resources available to a community include:

- natural capital
- produced economic capital
- human capital
- institutional and social capital.

Describing these categories as 'capital' is not meant to imply that all features to which they refer are necessarily assets within any particular situation. In each category, some particular features may be both assets and liabilities. For example, a river running through an area may be a source

of water for personal use, for agriculture and for manufacturing, but may also impede communications between people located on opposite sides of the river. Further, we do not wish to imply by the use of the word 'capital' that features should be evaluated only from the perspective of human usage. For example, some aspects of the natural environment may be important for the survival of non-human species or may be valued for their own sake.

Natural capital includes both renewable and non-renewable biophysical resources such as minerals, fossil fuels, soils, watercourses, and the like. It also includes weather patterns and natural features such as mountains and coastlines. As well as being an asset, the natural environment may sometimes have adverse features such as the propensity for earthquakes, droughts or floods, and the prevalence of disease-carrying organisms. Some other forms of capital may be used in efforts to deal with such problems.

Produced economic capital includes products that have been manufactured, the built environment, physical infrastructure that has been constructed, and financial resources such as money. In evaluating economic capital, both assets and liabilities need to be taken into account.

Human capital includes the size of the population and the resources of knowledge and skills within the population. Human capital also includes the potential for human labour and creativity. Thus, in evaluating human capital, the age structure of the population and the capacity for work or other forms of activity should be taken into account.

The term '**institutional capital**' refers to the variety of institutional structures and mechanisms present in a community. It has been common practice to identify three main types of institutional structures in society:

- the public sector—institutions of federal, State and local government;
- the private enterprise sector—non-governmental enterprises producing goods and services for profit, together with the market mechanisms through which such goods and services are exchanged; and
- the third sector—non-governmental, not-for-profit organisations and institutions.

In relation to the public sector, institutional capital includes the formal mechanisms whereby governments are elected and held accountable, laws are enacted and enforced, and various governmental services are provided. Although some of these mechanisms may be widely available throughout a society, others may be more readily accessible by some communities than by others. The responsiveness, transparency and accountability of these institutions may also vary from one community to another. Such variations can affect the capacity of particular communities to achieve some objectives. For example, lack of medical, hospital or educational facilities can deter some people from moving to, or remaining within, a particular community. In other words, a lack of such services can result in a loss of some forms of human capital or an incapacity to attract much-needed human capital. It can also result in a reduction in the economic capital invested in that locality.

The private enterprise sector includes enterprises of various sizes, structured under various ownership arrangements such as individual entrepreneurship, partnerships, corporations and cooperatives. Mechanisms of the market, including norms and procedures under which the market operates, are also part of institutional capital. Bridging the public and private sectors are regulatory frameworks and structures related to public transparency and accountability.

'Expert systems' is a term borrowed from the writings of Anthony Giddens (1990, p. 83ff) to refer to systems of specialised expertise, such as retail systems, public utility systems, financial, legal, educational, health and other systems. In most of these systems, there are numerous organisations and vast numbers of individuals with highly specialised skills, including businesses, government organisations and not-for-profit organisations. No one person understands, owns or controls any system. Many systems are subject to some form of government regulation. They also develop their own procedures and norms of operation. Expert systems may be seen as part of institutional capital.

The third sector is composed of a plethora of organisations and institutions, including organisations devoted to religious, philanthropic, cultural, recreational, self-help and 'campaigning' objectives. Such organisations can play an important role in protecting the rights of individuals, helping them achieve their full potential and contribute to the wellbeing of the community, providing facilities or services not offered by government or private enterprise, contributing to public debate, and initiating action to benefit the community. Without minimising the importance of government and private enterprise, the third sector can contribute greatly to the strengthening of communities. This sector constitutes part of the institutional capital of a community.

As with other forms of capital, not all forms of institutional capital are necessarily assets for a given community. Depending on who owns or controls them, some organisations operating in a particular community may take much more from a community than they contribute to it. Governments and corporations may make positive or negative contributions to the life of a community. Procedures and mechanisms of regulation may similarly be an asset or a liability.

There has been extensive debate on the definition of **social capital**. As Ian Winter (2000, p. 29) notes, the seminal users of the term have used it in slightly different ways. Although the term did not gain wide usage until relatively recently, it can be traced as far back as 1920, when L. F. Hanifan (cited in Woolcock 1998, p. 192) used it to refer to 'those tangible assets [that] count most in the daily lives of people; namely, goodwill, fellowship, sympathy, and social intercourse among the individuals and families who make up a social unit'. Pierre Bourdieu (1986, p. 248) defined social capital as 'the aggregate of actual and potential resources which are linked to possession of a durable network of more or less institutionalized relationships of mutual acquaintance or recognition'. For James Coleman (1988, pp. S100–S101), social capital is made up of obligations and expectations, information channels, and a set of norms and effective sanctions that constrain and/or encourage certain kinds of behaviour. For Robert Putnam (1993, p. 35), who has helped to popularise the concept, social capital refers to 'features of social organisation, such as networks, norms and trust, that facilitate coordination and cooperation for mutual benefit'. Most theorists agree that social capital includes the social networks and the

various types of formal and informal associations that exist between people, and on which people can draw when seeking information, cooperating to achieve common ends, or seeking support or assistance of some kind. In so far as a network or association involves more than one person, social capital is not something that is possessed exclusively by an individual.

Some theorists distinguish between horizontal relationships (such as relationships with friends, workmates and neighbours) and vertical relationships (relationships involving hierarchy and authority, such as those with judges, teachers, police or doctors), while some argue that social capital exists only in horizontal relationships. However, when assessing community strength, the quality of community members' relationships with people in formal positions of authority may be significant whether we choose to regard the relationship as a form of social capital or not. We prefer to use 'social capital' to refer to both horizontal and vertical relationships, as both are important in understanding the nature of participation in community, and both can help to give individuals and groups access to some other forms of capital. It is important, therefore, to examine the extent to which trust, reciprocity and norms are evident in different types of relationships, including relationships between individuals and various institutions, and the impact of these relationships on the wellbeing and strength of communities.

Many have referred to the importance of family ties or close friendships, sometimes referred to as **bonds** or **thick ties**, as a form of social capital. Mutual support is often primarily located in such relationships. **Thin ties** or **bridges** are also of great importance in the thinking about social capital, for they potentially provide access to a wider range of resources than any family or small group of friends can provide. For example, in getting a small business off the ground, the support of family and close friends may be very important, perhaps providing some practical help and financial support. For extending a business, however, a much wider range of bridges is generally needed, and the lack of them is likely to keep the business very small (Narayan 1999).

In assessing social capital, shared attributes that facilitate communication and affect its quality are taken into account. Such attributes include:

- **trust**—the extent to which there are shared beliefs that people will take account of the interests of others in their actions;
- **reciprocity**—the extent to which there are expectations that good deeds done will ultimately be returned;
- **shared norms and values**—the extent to which there are shared norms and values underlying cooperative activities or exchanges of goods and services;
- **shared purposes and commitments**—the extent to which there are shared purposes among those cooperating or exchanging goods or services;
- **proactivity**—the extent to which there is a shared willingness to be proactive in cooperation or for the sake of the community.

Trust, belief in reciprocity, norms and commitments can be measured as attitudes of individuals. However, social capital exists in relationships; it is present to the extent that these attitudes are held in common.

Shared norms may or may not be explicitly agreed by the parties interacting. Many norms are shared because people have had similar learning experiences in their formative years. They know implicitly, for example, what is polite and what is not.

Some norms are backed by laws. For example, drivers recognise that they should stop at a red traffic light. If they fail to abide by the norm, there could be a penalty. The existence of laws and regulations are often important in ensuring that interactive processes occur smoothly. Their existence does not imply that the shared norms are not part of social capital. Laws themselves do not constitute part of social capital but the shared respect for laws does.

Another ongoing debate is whether social capital refers only those shared qualities and networks that contribute to the public good, a position taken by Eva Cox (Cox and Caldwell 2000, p. 51). However, the majority of commentators prefer to take social capital as a non-evaluative term, recognising that there is sometimes a 'dark side' to social capital. There are times when relationships are used for purposes that are not for the public good. Part of the problem lies in the fact that what is in the good of one community may not be in the good of another. It has been found, for example, that tight communities in which there are high levels of trust and reciprocity may deliberately exclude other people or work against the wellbeing of some wider community. A particular set of relationships will almost always be inclusive of some people and exclusive of others, and will have light and dark sides (Narayan 1999, p. 8).

While natural, produced economic, human, social and institutional resources all play some role in the strength of every community, the importance of each varies from one community to another. In very general terms, urban communities dependent on manufacturing and services find much of their strength in their human capital. Farming communities are necessarily dependent on natural resources. From another perspective, then, to some extent communities may substitute one form of capital for another in achieving strength. A classic example is that of Singapore, which, lacking most natural resources other than its position on the trade routes of Asia, has found its strength in the development of its human capital. The measurement of community strength based on resources must take into account the fact that strength may be achieved in different ways, and that, to some extent, communities may substitute one form of capital for another as they adjust to changing circumstances. The limits of the substitution of resources will be found, ultimately, in the overall impact on the individual and collective wellbeing of the members of a community.

Many well-established indicators are available for resources in natural, produced economic and human capital. Some surveys have sought to measure some social capital resources. For example, the World Values Surveys (1995 and 2000) have included a question on social trust. The Pew Research Centre (1997) ran a survey entitled 'Trust and Citizen Engagement in Metropolitan Philadelphia'. That survey contained questions covering a range of aspects of social capital. Other recent attempts to evaluate community development, such as those by the

Scottish Community Development Centre (2000a), the Sustainability Measures project (Hart 2000) and the JCCI project on indicators of the quality of life in Jacksonville (Jacksonville Community Council 2000) have explicitly included indicators of social capital.

In 1997, Jenny Onyx and Paul Bullen of the University of Technology, Sydney, published a working paper 'Measuring social capital in five communities in NSW: an analysis'. The paper described an attempt to empirically identify factors in social capital using factor analysis. The paper identified eight factors and suggested ways in which these might be measured. More recently, an integrated set of 'Social Capital Assessment Tools' developed by Krishna and Shrader (2000) has been published on the World Bank social capital website. Other people are continuing to work on the measurement of social capital. The Australian Institute of Family Studies has developed a telephone survey for measuring social capital in relation to family life, first used in November 2000. Eva Cox is about to release a guide to 'community audit' that is based on the notion of social capital. Some of the questions contained in these surveys and the issues raised by them are discussed in relation to the various indicators of social capital in Part 3 of the present report.

2.2 Community processes

a. Actors in community processes

At the micro level of analysis, there are many actions undertaken by individuals. Understanding both the forms and the outcomes of these actions frequently requires reference to a broader social context. That context may include families, organisations and communities of various types, with associated roles, norms and expectations.

At the macro level there are relationships between various organisations, communities and wider social systems. Some of the interactions between individuals in modern urban societies take place in the context of expert systems. The interaction between a child and a teacher, for example, takes place in the context of a school (being the organisation), and ultimately within the context of the education system (being the expert system). In the interaction between an individual and a salesperson, the salesperson is seen in relation to the shop (which is the organisation) and the retail system (through which retailing is regulated).

In modern urban societies, many interactions take place between people who do not know each other personally and may not have met before. Most of the time we do not know the person who serves in the shop, or who answers the query about completing a government form. Thus, there are no opportunities to build trust in the individual through familiarity. It is very likely that we know no one who can provide details of the person's reputation. The quality of the interaction depends largely on people's trust in the operation of the system. The person enters a hospital trusting that the system has educated the doctor well and has verified the doctor's qualifications. The person calling in an electrician may well expect that the system for accrediting electricians is reliable, and that within that system, complaints procedures will be available.

Community strength is dependent partly on the operation of expert systems, and on the levels of trust, the shared norms and the 'fairness of operation' of expert systems. This dimension of social relationships has not often been included in discussions of social capital. However, it constitutes an interface between institutional capital and social capital.

b. Types of processes

Interactive processes themselves may be of many kinds. They include cooperative activities in which two or more people are working together to achieve a common outcome. Many processes involve some kind of trade or exchange of goods and services. There are other interactive processes in which knowledge or skills are shared. In some processes, the interaction involves sharing a common experience. For example, two people may watch a film at a cinema together. The fact of being together, despite a minimum of conversation with one another, makes a difference to the outcome in terms of their enjoyment of the experience.

In most social processes, people draw on various resources, such as the resources of knowledge or skill (which are part of human capital), or on produced economic capital (in terms of money, goods or services that have been produced). In the interaction, they draw on social capital, on the network system and the shared qualities of trust, common norms and purposes.

Social capital is usually produced by interactive processes but is not the processes themselves. Rather social capital refers to patterns of networks and associations. A particular process may follow a particular pattern, and thus confirm a pre-existing network or association. Or a process may initiate a new pattern, developing a new network or association. Similarly, a process may draw on certain qualities which are shared by the participants. Thus, the process may reflect the shared trust or the shared norms that the participants have. The process may confirm such qualities, develop them, or cause them to disintegrate.

In the interactive processes of society, social capital may be drawn on. Patterns and qualities may be strengthened or even destroyed by the processes. Thus, social capital is both a resource and a potential outcome of various interactive processes.

2.3 Outcomes

The outcomes of interactive processes may be quite diverse and can be categorised in various ways.

1. Changes in resources

In many instances, one of the outcomes of interactive processes will be the development of resources. Thus, cooperative work may result in outputs which then add to produced economic capital, while at the same time having outcomes in terms of self-esteem and the meeting of social needs of the people involved. Further, the produced economic capital can easily be exchanged for meeting physical needs, as in the purchase of food or shelter.

Interactive processes may also have outcomes in the area of human capital. Through activities, skills are honed and knowledge is shared. At the same time, processes may contribute to meeting the personal and communal needs for wisdom and knowledge.

As noted above, most interactive processes have outcomes in the area of social capital, confirming or developing social networks and associations, and modifying qualities of trust, shared norms and expectations of reciprocity.

Some interactive processes have outcomes for natural resources. In some cases, resources will be enhanced and in other cases diminished.

2. Impact on human needs

Many interactive processes can be categorised in terms of the sorts of needs that they meet. The interactive process of shopping has the desired outcome of obtaining food to meet the physical needs of the body. Sharing the experience of a film may meet social needs in terms of people enjoying each other's company and confirming their friendship. Seeing a film may also meet cultural needs in terms of the enjoyment of beauty, or the process of making sense of life.

At the micro level, the meeting of human needs is a basic motivator to action. However, the satisfaction of those needs very often depends on the effective operation of a wide range of social processes.

3. Impact on the community

Many processes can be categorised in terms of their impact on communities. Some processes will contribute to community health, to employment levels in a community, to protecting the community's physical environment, to public safety or the reduction of crime. They may raise levels of optimism in a community, or create division and conflict.

These complex processes may have both intended and unintended outcomes. For example, the formation of a community group which raises consciousness of a particular community need, or which unites activities to meet a community challenge, will involve various processes. It may have outcomes not only in terms of consciousness raising but also in terms of the development of new networks between people and groups, the development of norms and trust. In complex processes, the relationship between the process and the outcomes may not be easily measured. Some aspects of the processes may contribute to wellbeing while others detract from it.

There will not always be agreement about what are desirable and undesirable community outcomes, just as there will not always be agreement about what are the best methods of achieving those outcomes. However, some commonalities in opinions across communities are likely in as far so there are needs and desires which are common to all human beings. These common needs can provide a starting point for a community in identifying the desired outcomes.

Some of the outcomes being sought in government policy through an emphasis on strong communities are as follows:

- higher overall quality of life;
- higher levels of satisfaction with community life;
- strengthened local economic capacity;
- reduced long-term unemployment;
- better health outcomes;
- reduced welfare dependency;
- reduced crime (including vandalism);
- higher levels of environmentally responsible behaviour; and
- greater capacity to deal constructively with social change or adversity.

These outcomes all have to do with individual and collective wellbeing, and with sustainability and resilience of communities in maintaining and enhancing wellbeing in the future. Thus, they fit clearly with the definition of community strength proposed in Part 1: 'Community strength refers to the extent to which resources and processes within a community maintain and enhance both individual and collective wellbeing in ways consistent with the principles of equity, comprehensiveness, participation, self-reliance and social responsibility.'

2.4 The scope of this project

Measuring community strength

The above definition implies that the measurement of community strength requires an assessment of the various resources available to a community, the processes taking place within that community and the outcomes of those processes. In recent Western political history, the focus of political philosophy has often been on the nature of the processes, evaluating communities or societies on this basis. In very broad terms, some people have argued for freedom in the processes for individuals to achieve according to their merits and their effort. Others have emphasised equality in access to the processes so that the whole community can participate in the processes of community life and enjoy the benefits of the processes.

The extent to which the benefits of community processes, or the outcomes, should be shared throughout a community is a political decision and beyond the scope of this project to determine. However, it should be noted that the way in which the sharing of outcomes is perceived affects the notion of community strength and the ways in which it is measured.

There are some conceptual problems in measuring community strength simply in terms of outcomes. Any particular outcomes, or even a range of outcomes, may be achieved by causes quite apart from the nature of the community. For example, the fact that a large industry decides to build a manufacturing plant in a certain locality may mean that the economic capacity of a community increases, and unemployment and crime decline. But some aspects of community life, such as its resilience and its capacity to deal with challenges, may, in fact, be

weakened, because of the increased dependence on this particular industry. Outcomes such as better standards of health and reduced crime may be the result of a range of factors, of which the nature of community life is only part. Consequently, in assessing community strength, it is important to examine the relationship between processes and outcomes rather than measuring outcomes alone.

Community strength may also be measured in terms of the resources that a community has, in terms of natural capital, produced economic capital, human capital, institutional capital and social capital. In measuring the capital, it would be important to measure not only the presence of these forms of capital, counting both positive and negative forms of capital of each type, but also the access to these resources by various groups of people within a community. Depending on the political definitions of community strength, greater or lesser attention will be given to the breadth of access to these resources. These issues are fundamental to the nature of community strength in so far as access to resources is usually unequally distributed through a community, and resources may be used for the benefit of a small number within the community rather than the whole community.

There has been some discussion about the extent to which one form of measurement, such as an economic form, can be used for all types of capital. For example, the Genuine Progress Indicator (GPI) was developed to provide a single figure, in monetary terms, that could indicate change in social wellbeing over time, taking into account both the development of certain assets and the depletion of a range of resources. While the Australian version of the GPI may be a better indicator of changes of levels of wellbeing in the Australian community than is the Gross National Product, it has been criticised for various reasons. Putting a monetary value on the physical or social environment, on trust or beauty, on human life or family breakdown may not fully represent the extent to which these aspects of life or experiences affect wellbeing. At the same time, the single figure hides the multiplicity of the constituent factors (Halstead 1998, p. 65).

Community strength itself will necessarily be a conglomerate of aspects of a community. No one indicator will be adequate to measure community strength. Rather, a range of indicators of various contributing factors will need to be taken into account. A monetary value will not fully represent dimensions such as community trust and expectations of reciprocity. As noted previously, some substitution between the various forms of capital is possible, and community strength may be achieved in different ways by different communities. In other words, according to the situation, resource factors may vary in importance.

Themes in considering social capital and institutional capital

In considering social capital and institutional capital, several themes emerge frequently in the literature, including:

- the quantity of links between people and organisations, as seen, for example, in the extent of participation in civic and social life;

- the quality of the links, as seen in the trust, reciprocity and other shared norms which operate in and facilitate people's interactions with each other; and
- structures of communities, including governance and patterns of leadership, which facilitate community interaction and proactivity, enabling communities to achieve desired objectives.

Civic participation is often indicative of people's willingness to cooperate for the good of the community. So, too, is involvement in voluntary organisations that have as their goal the maintenance or enhancement of community wellbeing (Lyons 2000, p. 165).

People learn the skills of cooperation through social participation. Thus social participation may indicate both that lines of communication exist, and that people are learning those interpersonal skills that enhance activity for the wellbeing of a community. As people take an interest in the wellbeing of the community and are given opportunities to engage in discussion about it, it is likely that some differences of opinion will emerge. A vigorous debate on desirable qualities and objectives for a community is often a sign of a healthy and vibrant community, provided that differences of opinion are respected and destructive conflict is avoided.

Organisations in the community—corporate, government and not-for-profit—can enhance the efforts of a community to achieve its goals. They can provide resources and communication links. They can directly contribute in many ways to achievement of the goals of the community. While some companies see community involvement as putting something back into the community which supports them, others see it as linked to business sustainability. Community involvement contributes to the maintenance of 'trust, support and legitimacy within the community' (Centre for Corporate Public Affairs 2000, p. 11).

Shared norms between individuals and organisations and among organisations can also facilitate outcomes that enhance the wellbeing of a community and its members. Effective communication, together with transparency and accountability, contributes positively to such interactive processes.

Forms of governance in which members of a community share in decision-making processes, in appointing leaders, and in the management of conflict are important contributors to social and institutional capital and to community strength. These themes will be considered in the measurement of social and institutional capital.

It has been argued that governments can destroy social capital by taking over functions that would have otherwise been undertaken by communities. Fukuyama (1995, p. 361), for example, has argued that a strong State weakens the authority and willingness of local communities to be proactive and to care for their own members. Giddens (1998, p. 85) argues that this occurred in the Communist societies of Eastern Europe and the Soviet Union where the state discouraged the development of a public sphere of interaction and participation. However, Giddens maintains that the solution is not a withdrawal of government from communities, but the development of a partnership with them. He provides several examples where government has worked alongside local communities to provide resources that have enabled new enterprise and social entrepreneurship in rural and urban locations. Various studies suggest that although local

initiatives can help to reverse strongly embedded processes of community decline, such initiatives may need appropriate external support, such as that which a government can provide (Giddens 1998, p. 82).

Almost no community exists in total isolation from all other communities. Most communities interact with others. As well as drawing on its own resources, one community can potentially draw on, and contribute to, the resources of other communities. In other words, reciprocity can occur between communities as well as between individuals.

Narayan (1999, p. 8) has argued that societies may be rich in social capital within some social groups and yet experience debilitating poverty, corruption and conflict. She argues that all social groups have social capital, but one social group can sometimes develop its social capital by excluding others. Primary groups and networks may provide opportunities to reinforce social stratification, prevent mobility of excluded groups, and become the bases of corruption and assertion of power by dominant social groups (p. 13).

Two features are necessary in order to prevent this occurring and to develop strong communities that enhance rather than diminish the wellbeing of other communities:

1. The development of various ties between communities enables communities to share at least some of their resources and prevents enclaves of power or powerlessness from occurring. Ties that are dense and voluntary, though not necessarily strong, can help connect people to information, resources and opportunities beyond their own community. These ties enable people to get to know others who are different from themselves, diminishing the chance that social differences will grow into debilitating social rifts.

2. The overall governance environment in which the communities exist may make a significant difference to social capital. The existence of the rule of law, including the recognition of citizens' rights and freedom to associate, helps to create the societal norms that influence the nature of social organisations. Effectively functioning states which maintain order while encouraging both tolerance of diversity and compromise in conflict, and which have low levels of corruption and high levels of efficiency, contribute strongly to overall levels of trust and to the development of social capital (Narayan 1999, pp. 15, 20).

In the short term, one community may enhance its wellbeing at the expense of others. In the long term, however, such a process is likely to contribute to some form of social cleavage and perhaps to conflict. For the long-term wellbeing of individuals, communities and societies, multiple ties between communities need to be established in the context of effective governance which maintains order, provides means of managing conflict and contributes to the development of trust.

Communities exist in a changing world. The strength of a community must be considered dynamically in terms of the ways that communities change. Strength lies in the ability to respond creatively and effectively to changing resources and processes, changing expectations of outcomes, as well as changing circumstances in the world at large. In a rapidly changing world, entrepreneurial communities see change in terms of new possibilities and can grasp

challenges creatively as new opportunities. The model of resources, processes and outcomes provides a dynamic rather than a static picture of community strength. It indicates various points at which individuals, groups and organisations can potentially take initiatives that will increase community strength.

2.5 Conclusion

The analytical framework outlined above builds on the definition proposed in Part 1, namely that community strength refers to the extent to which resources and processes within a community maintain and enhance both individual and collective wellbeing in ways which are consistent with principles of equity, comprehensiveness, participation, self-reliance and social responsibility. Under this definition, communities can be seen from the perspective of resources, processes and outcomes that are constantly and dynamically inter-relating. Resources include natural, produced economic, human, institutional and social capital. Processes take place at micro and macro levels, involving individuals, organisations and expert systems. Outcomes may include changes in resources and processes, as well as impacts on individual and collective wellbeing. In other words, there are feedback loops from outcomes to resources and processes. The outcome of decreased unemployment, for example, is likely to result also in an increase in the economic resources available within a community. Likewise, outcomes such as increased trust directly influence the nature of various social and economic processes. Some processes, such as social participation, may increase reserves of social capital by confirming patterns of social interaction. On the other hand, other processes such as some forms of production may deplete or damage non-renewable natural resources.

The above definition includes reference to outcomes, but it is important to note that some specific outcomes may be the product of forces and factors external to the particular community. Consequently, while measures of outcomes are valuable, they are not sufficient as indicators of community strength. It is important to assess what has produced these particular outcomes. Although the connections between resources, processes and outcomes are sometimes difficult to identify, each is important in assessing community strength. Changes in those indicators over time will give some indication of the ways a community is responding to the changing social, economic and environmental conditions.

All communities exist in relation to other communities and there can be communities within communities. Relationships between sections of a community and between communities are important in the consideration of community strength. A community may be strong in parts, but have weaknesses in other parts. Similarly, a community may have internal strength but find itself weakened by isolation from other communities.

Part 3 will examine in more detail various indicators that could be used to assess resources, processes and outcomes related to community strength.

3 Domains and indicators

In Part 2 it was argued that resources, processes and outcomes are all aspects of community through which community strength can be seen. However, none of these three aspects alone is sufficient to indicate the strength of community. Rather, community strength is indicated by the qualities of all three aspects: processes in which there is an effective use of resources for maintaining and enhancing individual and collective wellbeing.

Part 3 will present a menu of options for measuring those resources, processes and outcomes. For the purposes of presentation, the indicators are divided into various categories. In each case, the material includes an outline of the scope of the particular category of indicator, its applicability to various types of community, the rationale for its inclusion, and issues relating to implementation. Because indicators relating to natural capital, produced economic capital and human capital are already reasonably well developed, the Department of Family and Community Services has requested that primary attention should given in this report to indicators relating to the development and use of social and institutional capital. Other domains are more briefly considered.

3.1 Domain: Natural capital

Definition

In a discussion of natural capital and sustainable communities, Hart (2000) identifies three types of natural capital: natural resources, ecosystem services, and the aesthetics or beauty of nature. She defines natural resources as those things we can take from the natural environment and use either in their raw form or in production processes. They include water, plants, animals, minerals and fossil fuels. Ecosystem services are natural processes on which we depend in some way; for example, the processes whereby trees convert carbon dioxide into oxygen and sequester the carbon, the processes whereby wetlands filter water and soak up floodwaters, and the processes whereby soils produce plants of one kind or another. The third form of natural capital consists of those aspects of nature that are appreciated for their beauty, such as birds and flowers, waterfalls and seashores, mountain ranges and wilderness areas.

Applicability

This domain applies either directly or indirectly to all types of community, although the extent of direct access to, and dependence on, natural capital may vary from one community to another.

Rationale for inclusion

All communities are dependent on some forms of natural capital. Obviously, air and water of adequate quality and quantity are common needs of all individuals and thus of all communities. Nevertheless, communities may vary in the extent to which they are directly dependent on particular natural resources or particular ecosystems. Farming communities, for example, are

directly dependent on the productivity of the soil, and some are dependent on the maintenance of river flows for irrigation. A mining community depends on continued access to whatever is being mined.

Some natural resources, such as fossil fuels and various minerals, are non-renewable. Other natural resources, such as land, plants and animals, are conditionally renewable—they are capable of biological regeneration if used wisely. If vital forms of natural capital are damaged or depleted, a local community may decline unless it has access to alternative sources of such capital or can develop new forms of economic activity that are not so heavily dependent on natural capital.

In addition to producing goods and services, communities generate various waste products. The ways in which these waste products are dealt with can have significant impacts on the natural environment and in turn on the wellbeing of communities. Strategies designed to minimise the use of non-renewable resources, to reduce waste and to encourage reuse and recycling can contribute to the process of conserving natural resources and protecting the environment. The effectiveness of these strategies typically depends on a variety of factors, including the extent to which there are economic incentives, social norms and readily accessible institutions designed to facilitate such behaviour. Communities differ in the extent to which they have effectively addressed these issues. Their degree of success in doing so could be regarded as one indicator of community strength.

In assessing a community's natural capital, potentially adverse aspects of the biophysical environment need also to be considered. For example, is the area subject to floods, drought or levels of heat and cold that could be costly or problematic for a community? Is there a propensity to disease or to pests?

Natural capital may be considered not only in terms of its 'usability' but also in terms of its own inherent value. As the fragility of the natural environment has become more apparent, many people are arguing that it is morally wrong for human beings to see nature only in terms of how it might be used for human purposes. Views on this issue will influence the ways in which sustainability is assessed.

Issues in selection of indicators

Many indicators have been developed to measure the quality and quantity of natural capital and to assess whether the use being made of that capital is sustainable. For example, Environment Australia has commissioned a series of technical publications on indicators for use in reporting at the national level on the state of the environment. These publications deal with atmosphere, biodiversity, land, inland waters, estuaries and the sea, human settlements, natural and cultural heritage. In addition, there is a report dealing with the use of the recommended indicators by local and regional environmental managers and with the role of communities in gathering and using information pertinent to environmental indicators. The above reports can be found on the Internet at http://www.environment.gov.au/soe/indicators.html

More recently, the Australian and New Zealand Environment and Conservation Council (2000) has published *Core Environmental Indicators for Reporting in the State of the Environment*. This publication builds on the reports mentioned in the previous paragraph, identifying a core set of 75 indicators that can be used to report on the state of the environment in various jurisdictions in Australia. All these publications use a 'condition–pressure–response' framework to organise and present information on the range of issues to be considered. This framework was originally developed by the OECD and has been widely adopted or adapted by OECD countries and by various other organisations. It identifies three broad categories of information, namely:

- information about the **condition** of the environment, viewed in terms of specific characteristics and the functioning of important ecological processes;
- information about human activities (**pressures**) that affect the environment; and
- information about human efforts (**responses**) to address environmental issues.

This way of categorising information has been found useful by various policy-makers and decision-makers, although the relationships between various indicators are sometimes quite complex.

When the notion of ecologically sustainable development or of sustainable communities is used to define the focus of inquiry, the analytical framework tends to be broadened to include an examination not only of the availability and use of natural capital but also of a wider range of economic and social issues. More will be said about these issues in other sections of this report.

Conclusion

It is beyond the scope of the present study to make a detailed examination of the many indicators of the quantity and quality of natural capital available to particular communities and of whether such capital is being used in a sustainable way. Clearly, the biophysical environment will enable communities to accomplish some particular objectives and will set constraints on the achievement of some objectives. The long-term sustainability of a community depends in part on its stewardship of natural capital, as well as its capacity to develop, use and enhance other forms of capital.

3.2 Domain: Produced economic capital

Definition

Produced economic capital includes all products that are harvested or manufactured, the built environment, physical infrastructure that has been constructed, and financial resources such as money. Cultural and intellectual property are also forms of produced economic capital.

Applicability

As all communities make use of produced economic capital in one form or another, this domain is applicable to all types of communities. Communities of interest vary in the extent to which they are directly involved in the production of economic capital.

Rationale for inclusion

The economic resources of a community have a major impact on its wellbeing and its ability to achieve various objectives. Some of these economic resources will be controlled by individuals and families, some by business organisations, and some by other agencies. Included among them are various public facilities available to members of a community.

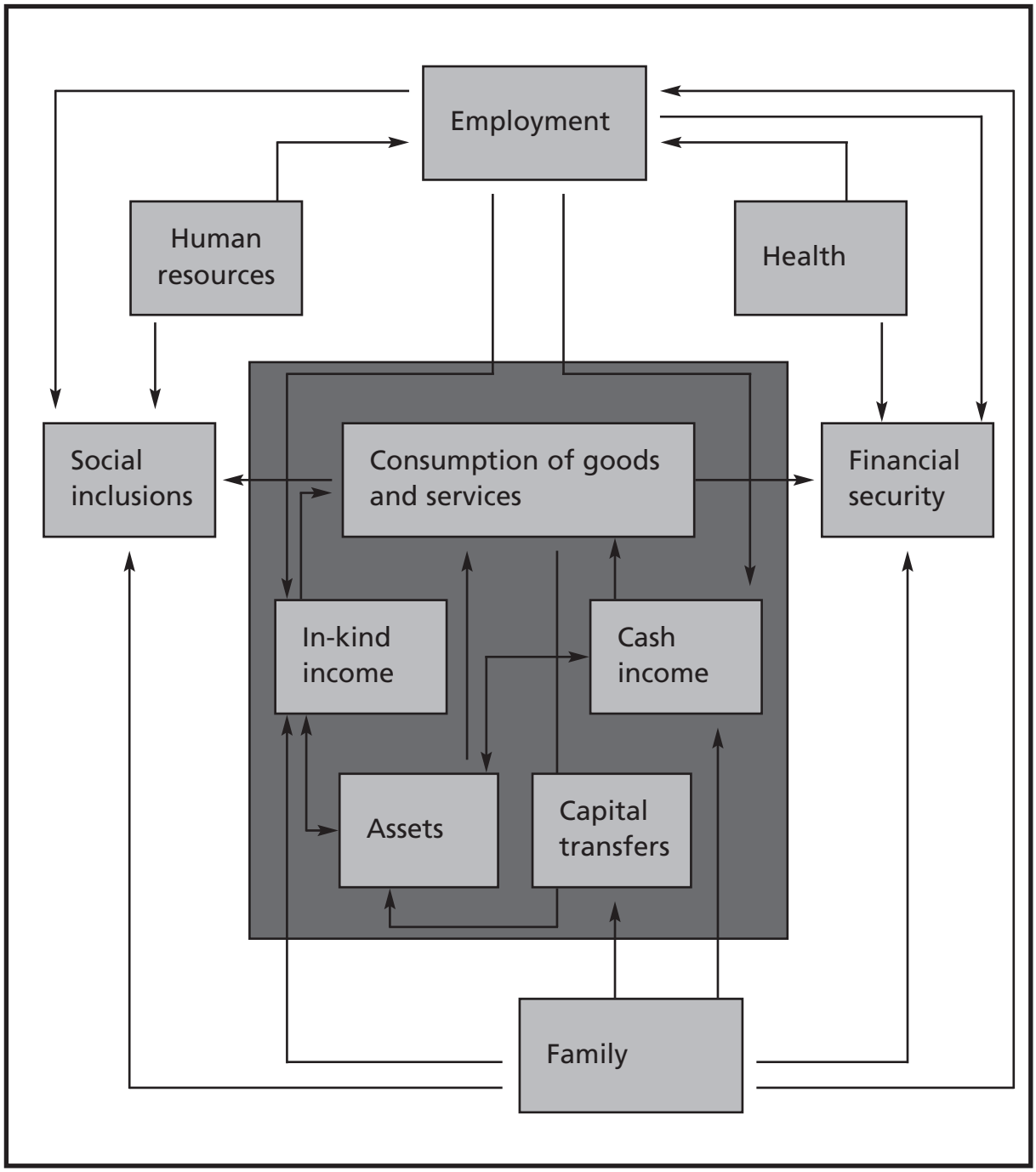
Infrastructure is vital to a community. The lifestyles of most people, the success of most businesses and the effective functioning of most communities depend on the availability of infrastructure such as power supplies, water systems and telecommunications, as well as roads, rail and other transport links. Infrastructure to deal with waste by means of sewerage systems, garbage removal and recycling is likewise important for the wellbeing of communities. Often, there will be debates as what forms of services or infrastructure contribute most to the wellbeing of a community in the long term. A perennial issue, for example, is whether spending money on freeways or public transport makes most difference to the long-term wellbeing of a community.

The diversity, size, ownership, prosperity and employment practices of businesses can also have major impacts on the strength of communities in which they are located. For example, the diversity, size and prosperity of businesses has an impact on the resilience of communities in the face of competition from elsewhere and changes in consumer demand. Likewise, patterns of ownership can affect the level of commitment of businesses to the local communities in which they are operating.

The long-term strength of a community depends not only on its ability to produce goods and services at a particular time, but also on the sustainability of the production. In turn, that depends on the sustainability of the natural resources which are used in production, on the sustainability of the human capital engaged in production, and on the sustainability of the social and institutional capital through which the processes of cooperation in production, trade and use are facilitated. There are thus links between natural capital, produced economic capital, human capital, and social and institutional capital.

The economic resources available to individuals, households and families also affect the strength of communities, enabling some activities and hindering others. The Living Standards Model developed by the Australian Bureau of Statistics (ABS) identifies some of the major types of variables involved (see Figure 3).

Figure 3: Living standards model



Source: Australian Bureau of Statistics 1999a.

Issues in the selection of indicators

There is a wide range of indicators of produced economic capital. A detailed assessment of these various indicators is beyond the scope of the present project. Major types of indicators that are available or could be developed fall into three categories:

- economic resources associated with individuals, families and households within a community;
- economic resources associated with businesses and other organisations within a community; and
- infrastructure and public facilities available within a community.

These three categories of resources are to some degree interrelated.

Economic resources associated with individuals, families and households

The capacity of individuals, families and households to attain a desired standard of living and to maintain or enhance their stock of economic capital is influenced by a variety of factors such as those contained in the ABS's Living Standards Model (see Figure 3). Some data on individual, family and household capital and income is contained in the national Census and is available for particular communities of location at various levels of aggregation.

Since home ownership is one of the primary forms of capital investment made by individuals or families, Census data on housing tenure and mortgage payments can give some indication of this aspect of produced economic capital, especially when interpreted in the light of median house prices in a particular locality. Census data on household income, coupled with information on housing tenure, rent, mortgage payments and number of dependents, may provide some preliminary indication of the likelihood that members of a community are maintaining or accumulating economic capital in one form or another. A more accurate analysis would require the gathering of additional information on income, expenditures and capital transfers.

Various survey items pertinent to this were incorporated in the ABS Living Standards Project 1997–99 (Australian Bureau of Statistics 1999a). Some of these items are being considered for inclusion in the General Social Survey (GSS) to be conducted by the ABS in 2002. In addition to questions about employment, income, housing and transport (including ownership of motor vehicles), questions about total value of assets and about financial security are being considered for inclusion in the GSS. The GSS will also contain questions about human capital and social capital. The size and spread of the GSS sample will not allow analysis of the data for particular communities of location, except at fairly wide levels of aggregation such as metropolitan or non-metropolitan regions. It might also allow analysis for some major communities of interest such as large ethnic groups, but this would depend on the total size of the sample. The methodology of the GSS could, in principle, be applied to smaller communities of location and smaller communities of interest.

Issues associated with employment, unemployment and underemployment, as well as welfare dependency, will be further discussed in the section of this report dealing with outcomes of community strength.

Economic resources associated with businesses and other organisations

The Centre for Community Enterprise (CCE 2000a) argues that a high degree of local control over economic activities and resources gives rural and remote communities greater resilience. As an indicator of this characteristic, the CCE uses the percentage of the top five private sector employers that are locally owned. The desire for local ownership and control springs partly from the recognition that adverse decisions taken by distant owners can sometimes have negative effects on local communities. When things are going well, this concern may be counterbalanced by the recognition that investment from outside the community can create employment opportunities and economic growth.

Hustedde et al. (1995) review various tools for assessing the performance of a local community's economy. These include:

- calculating economic multipliers
  - — employment multipliers
  - — income multipliers
  - — turnover
- assessing the size and shape of a community's trade area
  - — trade area boundaries
  - — trade area capture
  - — pull factors
- identifying leaks or weaknesses in the local economy
  - — trade (sales) potential
  - — location quotients
  - — employment/population ratios
- measuring the efficiency of local firms
  - — shift share analysis:
    - a. national growth component
    - b. industrial mix component
    - c. competitive share component.

The above measures assess economic **processes** or **outcomes** rather than the **stock** of produced economic capital. Nevertheless, these processes influence the capital account, both directly through profits or losses and indirectly through changes in the underlying value of business enterprises. Here again, the question of whether these enterprises are owned locally or by outside interests is relevant to the assessment of community strength on this particular dimension.

On a much simpler level, Kretzmann et al. of the Asset-Based Community Development Institute have written *A Guide to Mapping Local Business Assets and Mobilizing Local Business Capacities* (1996). This publication outlines two different survey methods and provides worksheets that can be used by local communities for this purpose. However, these particular procedures are unlikely to produce full financial estimates of the value of local businesses.

Infrastructure and public facilities within a community

In a recent report prepared for the Rural Industries Research and Development Corporation (Black et al. 2000), four categories of infrastructure were identified:

- economic physical (or 'hard') infrastructure such as roads, ports, railways, energy networks;
- economic intangible (or 'soft') infrastructure such as financial and research institutions;
- social physical infrastructure such as hospital and schools; and
- social 'soft' infrastructure such as medical and allied health professionals, teachers, institutions delivering community and welfare services.

Particular aspects of infrastructure examined in the report include telecommunications facilities, transport, energy supplies, educational facilities, water resources and health care facilities. Infrastructure in each of these categories may be measured in its own way. The report recommended audits of the range of infrastructure in various communities

Another approach, relevant to rural and remote communities, is to consider the availability of facilities and services, not only in the local community but also in neighbouring communities. The services and facilities available within any particular community vary considerably. In general terms, communities with smaller populations or serving smaller areas tend to have fewer services. Thus, it is appropriate to look not only at the services available within a community, but also at the availability of services in neighbouring communities. A comprehensive index, the Accessibility/Remoteness Index for Australia (ARIA), has been developed to measure accessibility of services in rural and remote Australia. It examines a variety of services found in different sized communities, and then measures the distance by road from each community to that variety of services (Department of Health and Aged Care 1999).

Conclusion

In measuring community strength, various economic factors are important. The economic resources available to individuals, households and families directly influence their wellbeing and their capacity to achieve desired objectives. These economic resources depend partly on people's involvement in enterprise or employment, as well as upon other factors identified in

the ABS's Living Standards Model. Opportunities for enterprise and employment depend on, and contribute to, the strength and diversity of the local economy and its competitive position in the national and international economies. Patterns of ownership and control of productive resources and business enterprises, as well as the ways in which such enterprises pursue their activities, can either enhance or diminish the strength of communities and may affect the ability of communities to determine their own future. Other elements of produced economic capital such as the infrastructure, facilities and services available for organisations and individuals also affect the strength of communities and their capacity to achieve desired objectives.

3.3 Domain: Human capital

Definition

Human capital includes the human beings in a community, their physical and mental health, their knowledge and skills, and their capacity to contribute through production, decision-making, social interaction, innovation, and in other ways to the life of a community. The ability to use technology is included in human capital, as technology extends the abilities of human beings in many directions. Likewise, the ability to discover, develop or use new knowledge and skills is a vital aspect of human capital in the contemporary world.

Applicability

Human capital is relevant to geographical communities. It is also important in many communities of interest, although human capital requirements may be much more specific in a community of interest, dependent on the area of interest.

Rationale for inclusion

Human capital is necessary for any community as it relates to the capacity of communities to undertake activities through which financial and built capital may be produced and desirable social, economic and environmental outcomes achieved. Measures of human capital must take into account not only the numbers of people, but also their different capacities to contribute to activities, dependent on their levels of health, physical ability, knowledge and skills.

Mental health is more difficult to measure than physical health. It is important to community strength and capacity as it is defined partly in terms of the ability of people to handle day-to-day events and obstacles, work towards important goals and function effectively in society (Australian Bureau of Statistics 1999b, p. 236).

The ways in which other members of a community relate to persons with physical or mental illnesses and disabilities are relevant to other aspects of community strength such as social equity and tolerance of diversity. These are considered elsewhere in this report.

Issues in the selection of indicators

One of the major contributors to human capital is education. Through educational processes, skills and abilities are developed and the capacity for adaptation through learning new skills is increased. Economic and social theory has repeatedly drawn attention to the interrelationships between levels of education and social and economic wellbeing. The measurement of formal education level is generally considered an important indicator of the level of human capital. Providing resources and encouragement for enhancing educational levels is generally seen as an important way of enhancing the stocks of human capital.

There are a variety of ways in which formal education can be measured including:

1. literacy levels
2. numeracy levels

3. years of primary and secondary education, or retention rates in secondary school

4. certificates in trades or other post-secondary forms of education

5. university degrees.

Along with these indicators of the level and nature of educational experience, information about the fields in which people are qualified is often gathered. This information is important in local communities that may have quite specific needs for skills or knowledge, depending on the sorts of employment available, or the sorts of challenges that a community is facing. While it may be argued that higher levels of education are always advantageous, at a local level some match between the needs of the community and the forms of expertise may be an advantage. To take one obvious example: a university degree in psychology will not necessarily give a person the competence to farm, though it may contribute to the general ability to acquire relevant knowledge, and it may also be useful in some specific aspects of farm management, such as relationships with employees, clients and suppliers.

The expertise that arises out of years of experience, or is a product of people's gifts of leadership or their cognitive abilities, is not routinely assessed at community level by agencies such as the Australian Bureau of Statistics. Employers will look for such expertise through the specific occupations in which a person has been involved and the length of time spent in practice. It would be possible to develop measures of such cumulative experience for individuals in a community. The Asset-Based Community Development Institute has devised an extensive inventory for surveying individual skills, experience and qualifications in a community, especially in a lower socioeconomic community (McKnight & Kretzmann 1996).

Other aspects of human capital, such the ability to think or act creatively, to produce effective solutions to particular community problems, or to contribute creatively to the cultural life of a community, are special and valuable skills. Entrepreneurial skills which involve the development of new ideas and strategies to implement these may make all the difference to a community. Every community needs people with ideas, initiative and capacities for innovation. Again, information on these aspects of human capital is not routinely gathered from the population at large, but measures could be devised. All communities exist in the context of changing circumstances, and the ability to adjust to changes in social or environmental factors has become an important aspect of human capital. Qualitative information about such capacities within particular communities could be gathered. It may also be possible to gather information about people's willingness to engage in further education or training, to up-date their skills and knowledge through in-service training programs and through other forms of adult education.

Associated with responses to change are attitudes towards change. Some people generally seem to approach changed circumstances positively and find new opportunities within them. Other people respond to changed circumstances with anxiety and, in extreme cases, paralysis. These human characteristics affect the qualities of overall human capital in a community. Aggregated survey measures of attitudes to change may provide useful indicators. Surveys might also ask

how people feel about their communities' readiness to change and how their leaders respond to such challenges. Attitudes of leaders to change, and their ability to provide vision and strategy in the face of change, may be important elements in how a community relates to change.

Another approach to measuring the skills and expertise in a community is to ask whether optimal ratios of skilled personnel per head of population are present within a community. Beyond some thresholds, a greatly increased number of experts in a particular field might not add as much to community strength as would an increase in the numbers of people with expertise in another field. For example, beyond a certain number of doctors per 10 000 people, extra doctors may not be needed as much as, say, extra teachers. Optimal ratios could be calculated for occupations such as the following in particular types of community:

1. health professionals of various types;
2. teachers;
3. technicians and engineers to provide infrastructure requirements of power, roads, and the like;
4. people with expertise in construction, plumbing, electricity and transport;
5. people with expertise in the maintenance of vehicles and machinery; and
6. people with expertise in new technologies.

While useful in measuring levels of service provision, calculations such as those mentioned in the previous paragraph have some obvious limitations. For example, although additional professionals in a particular field might not be required, such people may develop services or economic enterprises in new fields.

There are some needs that are common to most Australian communities, given commonalities in lifestyle. There are other needs that will be specific to the local forms of industry and local needs of the population. Other factors being equal, a community that has a diversified range of skills will be stronger than one that does not.

In any community, the human capital is seen in the size and quality of its labour force. Another aspect of the labour force that might be considered is the age profile. Again, a spread of ages will be important for continued community strength, indicating the availability of people with experience as well as young people who can be trained and who may bring fresh energy and vision to production.

Participation in the labour force is restricted by the health of the members of the community. The ways in which issues of health and disability are managed are also indicative of strength in a community.

There are various indicators of health, including:

- self-reported levels of health;
- numbers of injuries;

- number and seriousness of particular illnesses;
- number reporting conditions such as sight disorders, arthritis, hayfever, headache, asthma, allergies;
- life expectancy and expectancy of years of independent living;
- infant mortality;
- numbers with anxiety disorders;
- numbers with affective disorders; and
- numbers with substance use disorders.

National Health Surveys conducted by the ABS include many of these indicators. Mental health can be measured through national surveys, such as the National Survey of Mental Health and Wellbeing of Adults (Australian Bureau of Statistics 1997) or it can be measured through the numbers of people reporting to doctors and mental health institutions for treatment (Australian Bureau of Statistics 1999b, p. 236). However, these latter measures are themselves dependent in part on the availability of such services in a community.

The Australian Institute of Health and Welfare specialises in analysis of indicators in the field of health. However, the concern in relation to community strength is not simply the level of health in the community per se, but also the ability for health conditions and disabilities to be managed in such a way that people affected by these nevertheless enjoy a high level of wellbeing. Low levels of accidents associated with work or travel, in public places or in the home will contribute to the wellbeing of people and thus to the strength of a community.

Conclusion

The strength of a community is partly influenced by the range of human capital available within that community. It is also influenced by the ways in which human capital is being developed, nurtured, renewed, extended and applied within the community. Educational processes play an important role in developing human capital, and human capital is measured partly in terms of the educational levels and fields of people in the community. Changes in the 'production' of human capital may be indicated by changes in the proportion completing year 12 and changes in the levels of post-school education. Specific indicators of achievement in the basic skills of literacy and numeracy have been developed.

More generalised forms of expertise, such as abilities to adapt creatively to change, or to develop and put into practice new ideas are not routinely gathered from the population at large. Perhaps levels of formal educational attainment are the most easily obtained indicator.

People's willingness to learn new skills and to up-date their qualifications could be measured by involvement in in-service training, professional development and other adult education activities.

Further work needs to be done in order to identify ways of measuring entrepreneurial skills and capacity for innovation. These characteristics are vital in the process of adapting to the rapid change that many communities are experiencing. It would be possible to develop measures of attitudes towards change. Survey items could, for example, explore the extent to which change is seen as providing new opportunities, and the extent to which people are having difficulty coping with various forms of social, economic and occupational change.

Most communities have some common needs in terms of human expertise. A checklist of these could be developed, and the extent of expertise available per 10 000 people noted. Other expertise needed is dependent partly on the specific forms of industry and service in the community and on the specific needs of the particular population.

The measurement of physical and mental health is a highly technical field. Issues for the functioning and strength of communities include:

- levels of accidents in workplace, travel, public places and home;
- the availability of appropriate opportunities for labour force involvement and social participation by people with physical or mental disabilities; and
- levels of social support provided within a community for people experiencing physical or mental illness or disability.

Under later headings, there will be further discussion of the ways in which people with various abilities or disabilities may be engaged in activities within a community, and the ways in which communities may respond to people with various abilities, disabilities or other distinguishing characteristics.

3.4 Domain: Social and institutional capital

As noted in Part 2, social capital refers to the patterns and qualities of relationships in a community. Cooperative and supportive patterns of relationships in which there are qualities such as trust and altruism, existing in the context of shared purposes and commitments and a sense of efficacy, contribute substantially to the strength of a community. Many relationships and interactions occur within the context of organisational structures and 'expert systems'. Thus, the nature and ways of functioning of organisations and expert systems, including community and government organisations, referred to here as institutional capital, and the ways they interact with each other and with individuals and groups in the community relate closely to social capital. To examine how social and institutional capital might be measured, indicators have been categorised under three sub-headings: patterns of processes, qualities of processes, and structures governing or enhancing processes.

a) Patterns of processes

These include those processes whereby people interact on a social or communal level, whether in informal or formal contexts, in ways that enable them to draw on resources within the community, meet community challenges and generally assist each other in attaining high levels of wellbeing.

Four patterns have been identified:

1. Social participation—processes in which individuals informally engage with other individuals in the community for their mutual wellbeing.

2. Civic participation—processes in which individuals engage individually or cooperatively in activities explicitly intended to maintain or enhance the wellbeing of a community.

3. Involvement in not-for-profit organisations and volunteering.

4. Linkages with other types of organisations and expert systems.

b) Qualities of processes

The qualities of engagement are as important as the quantity of engagement between people and between individuals and organisations. Several shared qualities enhance the effectiveness of the engagement and assist in attaining the desired outcomes. Qualities considered are:

1. Trust—the extent to which there are shared beliefs that people will take account of the interests of others in their actions.

2. Altruism—the extent to which people put other people's interests or the interests of the community as a whole before their own.

3. Reciprocity—the extent to which there are expectations that good deeds done will ultimately be returned.

4. Norms—shared assumptions about how one should act in various circumstances.

5. Tolerance and belief in equality of opportunity—shared expectations that individual differences should be respected, and that there should be equality of opportunity for all members of a community.
6. A sense of belonging to a community.
7. Self-reliance and self-help.

c) Structures that govern or enhance processes

Two structures that may enhance the quantity and quality of interactive processes are:

1. Leadership—which may provide a vision of purpose for interactive processes, may assist in engaging people to cooperate in working for that vision, and may point to steps and methods whereby that vision may be achieved.
2. Means for resolving conflict at individual, group or community levels.

Section A. Patterns of processes

Indicator: Social participation

Definition

This indicator has to do with involvement with other people in which communication occurs, and there are opportunities for joint understanding, development of trust, recognition of common norms, mutual support and reciprocity of acts of goodwill.

Among these involvements are links or ties between individuals and:

1. family and friends (relationships that may be referred to as 'bonds'); and
2. acquaintances (relationships that may be referred to as 'bridges').

These involvements have particular importance for social capital, but there are forms of social participation which are not covered by bonds and bridges. Social participation includes occasions when people are dealing with strangers with whom there were no previous ties.

Much communication occurs between individuals and people who are involved in or who represent 'expert systems'. For example, an individual telephones an airline office to book air tickets. In such cases, the trust and the recognition of common norms has much to do with the relationship between the individual and the organisation, such as the airline, or the 'expert systems' in which organisations are players, such as the retail and the air transport systems. This kind of interaction is considered under the heading 'Relationships of organisations to individuals and communities.'

In looking at social participation, it is important to consider the quality of the communication in terms, for example, of the levels of trust and the extent of goodwill and mutual support shared by the parties.

Applicability

This indicator is applicable to all types of communities. However, the sorts of communication links and ties may be different, to some extent, in urban and rural locations.

Rationale for inclusion

Community strength depends upon the members of the community being able to take common action and to provide support for each other to meet common or individual needs. Thus, community strength depends partly on the quantity and partly on the quality of communication ties.

1. Bonds with family and friends are the primary social connections and the social capital of a family contributes substantially to the social capital of the individual members of the family. Family and personal friendships are often also the building blocks for participation in the wider community. They are important for meeting many personal needs. They can provide people with a primary community in which they feel accepted, can share their feelings and confidences, and can give and receive personal support from day-to-day and in times of

crisis. People without such bonds may become very dependent on welfare caseworkers, clergy or other people in the community. The bonds of family and friends may provide an initial basis for decision-making and cooperative activity in community.

2. Bridges with acquaintances provide wider linkages. They are important for accessing a wide range of information and specialist skills. Through bridges with a wide range of people, business people expand their clientele and develop their markets. Through bridges with acquaintances there is the potential for a community beyond that of the family to communicate about common concerns or issues and to take action together. Bridges are what Granovetter (1973) has referred to as 'weak ties'. For many people, the work environment plays a significant role in the development of bridges.

Community strength depends, in part, both on bonds with family and friends, and on bridges with acquaintances. It has been argued by Woolcock and Narayan (1999), for example, that people in poverty in low socioeconomic ghettos or slums often have strong bonds with family and friends, but few bridges which enable them to move out of their social milieu or to access a wider range of social resources. While bonds may be very important in enabling individuals and families to meet day-to-day needs or obtain small amounts of money to tide them over a crisis, bonds will not generally be adequate to provide large amounts of financial capital such as that needed to purchase a house or begin a business. Bonds may not provide a great range of specialist assistance such as that required to deal with specialised medical problems or expertise in developing a business. Indeed, it has pointed out that some types of bonds, such as those which exist in gangs, criminal groups, ghettos and some families, may have some negative impacts, isolating a group of people from wider community circles. In small communities in which there is a strong community spirit, the pressures to conform and the existence of hostility to outsiders may stifle entrepreneurial spirit and initiative (Woolcock & Narayan 1999, p. 9).

Another feature is the extent to which networks are homogeneous or heterogeneous. People often find it easier to trust people who are similar to themselves in gender, age, culture, and socioeconomic and educational background. As they find more in common with each other, they will more readily develop common norms and identify common challenges and ways of dealing with them. Yet, it may be argued that the strength of the wider community depends in part on whether people form ties across the bounds of such characteristics (Woolcock & Narayan 1999, p. 9).

As Cox and others have argued, willingness to relate to strangers, including people who have different racial, cultural, religious or personal backgrounds, is an important element in social strength (Cox 1995, chapter 5). It helps to ensure that particular racial, cultural, religious or other sub-groups do not become socially isolated, a situation which can lead to conflict within communities as well as in the wider society. The extent of mixing with strangers may depend partly on personal characteristics, but may also depend on social structures being in place which encourage such mixing to occur.

Some work has been done on the extent to which networks are dense, involving 'multiplex' relations in which people are linked in more than one context, or 'simplex', in which the relations are found in only one context. For example, does it make a difference to community strength if people who mix in the workplace also mix socially, or whether people know each other in several contexts? It has been suggested that it is more difficult for social relationships that are found in only one context to become relationships in which more general support is experienced (Stewart-Weeks and Richardson 1998). There has been some evidence from the Australian Community Survey that higher levels of trust are expressed by people who have a higher proportion of multiplex relations, or, in other words, for whom the experience of community is less fragmented (Hughes et al. 1999b, p. 11).

Another issue in the measurement of social networks is the extent to which relationships with others are 'horizontal', rather than vertical. Writers such as Cox (1995) have argued that social capital can only be considered in terms of horizontal relationships. In their view, relationships which are vertical, in which the authority and power of others is acknowledged, do not contribute to social capital. Two objections may be raised to this approach. The first is that, while the quality of relationships (measured by attributes such as trust, reciprocity and the sharing of norms) is important to social capital, relationships involving an element of power may well have these qualities. Woolcock and Narayan (1999), for example, note that leadership, regulated environments and some authority are important in social capital.

Secondly, the distinction between 'vertical' and 'horizontal' relationships is not easy to maintain. In many instances, relationships involve people with different functions and authority within highly specific areas of social life. Respect for that authority within its field of expertise does not necessarily mean that a 'vertical' relationship exists. Admittedly it may not be appropriate to talk about the relationship as horizontal. Such a distinction fails to recognise that many relationships in contemporary society are dependent on functions within expert systems, rather than being hierarchical. On the other hand, Cox rightly draws attention to the fact that coercive relationships or inappropriate use of authority may hinder the development of the qualities of social capital. Further discussion of relationships between individuals, institutions and expert systems will be considered under 'linkages'.

To summarise this section, one can say that community strength may be gauged, to some extent, by the quantity of bonds, bridges and other interpersonal relationships that contribute to people's experience of community life.

Issues in the selection of indicators

(a) Bonds

While it is possible to map small social networks in an objective way by observing interactions, this is usually not possible in larger communities. Most indicators which have sought to measure the existence of bonds have used questionnaires in which people have answered questions about their personal networks. Such methods share the problems of other forms of self-reporting and may sometimes present a rosier picture of the respondent's relationships than exists in reality. In other words, the results may be distorted by a tendency for respondents to

project a 'socially desirable' image of themselves or of their relationships with others. Despite this limitation, specific questions about close relationships may provide the most practical approach for estimating the extent of bonds throughout a community.

The social desirability factor may sometimes be minimised by asking people about past behaviours. Baum and her associates did this in their survey of community health and social capital by asking how often, in the last twelve months, had people visited family, friends and neighbours, or had family, friends and neighbours visit them (Baum et al. 2000).

The fact that a visit had taken place in the last 12 months is hardly evidence for existence of bonds, however. Onyx and Bullen ask more specific questions about whether, in the last week, the respondent had visited a neighbour and how many telephone conversations with friends had occurred in the (Onyx and Bullen 1997).

While questions of support are more susceptible to social desirability factors, they tap into the quality of relationships more adequately, and, from that point of view are more likely to provide evidence of the existence of bonds in which people experience support. The *Trust and Citizen Engagement in Metropolitan Philadelphia* study (Pew Research Center 1997) measured people's access to support with the following question:

> When you need help, would you say that you can turn to many people, just a few people, or hardly any people for support?
>
> Many people
>
> Just a few people
>
> Hardly any people
>
> No one / none.

The problem raised by such a question is what constitutes 'support'. Is this question so subjective that data are not comparable from one situation to another? On the other hand, it might be argued that the subjective sense that there are people who have provided support is more important than objective measures of particular kinds of support.

Onyx and Bullen (1997) ask a range of questions about whether particular forms of support are available, such as minding a child when one had to go out. Yet, this envisages a particular sort of community and situations which would be quite hypothetical for many members of population. A more general form of support, common in most communities, is that of lending money, and some surveys have asked question about such situations. Yet, again, the ability to borrow may have more to do with one's social situation, and perhaps social class, than with the existence of bonds.

Zubrick et al. (2000) suggest the use of the McMaster Family Assessment Device to measure the functioning of family and friends. This device, consisting of twelve questions, asks about functioning in terms of the degree of:

1. understanding

2. mutual support
3. sharing of feelings
4. mutual acceptance
5. ability to make decisions in the family
6. ability to confide in each other.

This device measures family functioning, which is an important component of 'bonds'. Most items could also be used in relation to close friends who might provide alternative forms of bonding for many people. It could also be argued that some of the items regarding the sharing of feelings, the ability to confide and decision making, for example, reflect the values and forms of some cultures but not others. The expectations that govern family functioning vary considerably from one culture to another. Nevertheless, with appropriate response categories, the following items could be asked of family and of friends to determine the existence of bonds that provide a primary sense of community:

- In times of crisis, we can turn to each other for support.
- Individuals (in the family / circle of friends) are accepted for what they are.
- We avoiding discussing our fears and concerns.
- We express feelings to each other.
- There are lots of bad feelings in our family (circle of friends).
- Making decisions is a problem in our family.
- We are able to make decisions about how to solve problems.
- We don't get on well together.
- We confide in each other.

The Australian Institute of Family Studies 'Families, Social Capital and Citizenship' Project is based upon lengthy telephone interviews. They ask for the numbers of members of family, relatives and friends with whom the respondent has contact, and about whom they 'really care' or on whom they rely. Further questions cover how close those on whom they rely live, how often the respondents are in touch with them and whether they have ever received or given financial assistance, such as loans, gifts of money or help with housing related expenses.

(b) Bridges

Several surveys ask in very general ways about the extent of social contact. Onyx and Bullen (1997), for example, have asked how many people the respondent talked with on the previous day. Baum et al. (2000) have asked people about their attendance at activities in public spaces and their involvement in group activities. The ABS has included items about social activities in its 'Time use' survey. In 1997, it included such items as:

- eating and drinking with people other than household family members or alone;

- talking (including telephone) with people other than household family members; and
- socialising.

The ABS also notes that many other activities may not be categorised as socialising but may include that dimension. For example, sport is a social activity of which about three-quarters is done with friends (Australian Bureau of Statistics 1998, p. 11). However, this measurement of time spent socialising does not give any indications as to the range of 'bridges' that a person may have, or the quality of the 'bonds'. On the other hand, it provides a general measure of the extent to which individuals or sub-groups in a community are socially isolated in relation to both bonds and bridges.

In a similar way to Baum and associates, the Philadelphia study (Pew Research Center 1997) asks about involvement in a range of specific types of activities such as adult education, exercising, self-help groups, church or religious services, study groups, and recreational leagues. It goes a further step by asking whether people keep mainly to themselves in these activities or whether they mingle with others. In a third step, the Philadelphia study inquires whether the respondent became close enough to others within these activities to ask them for help with personal problems. This third step provides an indication as to whether the 'bridges' are moving in the direction of 'bonds' or, at least, whether they provide a measure of support.

Some surveys have examined whether people's social networks are dense and multiplex. For example, questions have been formulated about whether people meet workmates outside work, or whether acquaintances that they meet in various activities in which they are engaged know each other. The importance of these factors for community strength is yet to be determined.

Few surveys have tried to discover the heterogeneity of social networks, which would appear to be a significant issue for community strength. Heterogeneous networks would indicate that there are communication links between diverse groups. In examining social activities, it would be important to assess the extent to which people are mixing with others of different age groups, gender groups, ethnic and religious groups, social class and/or occupational and educational groups. Other factors being equal, greater heterogeneity would contribute to community strength.

(c) Mixing with strangers

The issue is not just the extent to which people mix with strangers, as this may be subject to social context. Attitude to strangers is an important factor in social capital in many contexts and may have a significant impact on community strength. While a small rural community may consist largely of people who know each other, people in large urban communities mix everyday with people whom they do not know. Networks and communities are constantly in flux. The willingness to trust strangers, to incorporate new people into a community, will facilitate the development of community life and will help to ensure that people are not socially excluded. Within this context, acceptance of people who are different from the individual in racial, religious or other characteristics is an issue. More reference will be made to this issue in the sections on trust and tolerance.

Conclusion

Social participation is most easily measured from the perspective of the individual. The individual can be asked to provide information about social connections. While information about the types of social activities in which people are engaged may be useful, such information does not necessarily imply that people are mixing in such a way that builds trust, develops norms, enables action or, in more general terms, contributes to community strength. It is more helpful to ask specific questions about people's interactions with others, seeking to look at:

1. bonds through which people have access to personal support, and
2. bridges through which people have access to wider networks of people.

In so doing, it is helpful to measure the extent to which these interactions are:

- simplex or multiplex; and
- in homogeneous or heterogeneous groups.

Part of the task involves measuring the extent to which members of the community have bonds in that there are family members or friends on whom they can rely for support and some measure of acceptance. Finding a measure of 'support' which provides some objectivity and which is valid in a variety of cultural and social situations is difficult, as expectations vary considerably. Financial support is widely used and has a wide applicability.

A further issue is the extent of bridges with wider networks of people. Involvement in social activities is a first step in measurement, and further steps include the extent to which people mingle with others and develop relationships that can transcend the original context.

It is difficult to find comprehensive indicators of behaviour in relation to strangers. Attitudinal data probably provide the best indicator of how people think about strangers and people who are different from themselves in terms of religion, race, sexual preference or other characteristics.

Indicator: Civic participation

Definition

Civic participation occurs as people engage in processes explicitly intended to maintain or enhance the wellbeing of a community. Such processes may include involvement in local organisations, committees or action groups. It may involve processes of writing letters, speaking on talk-back radio, or approaching organisations or officials that are making decisions about a community. What distinguishes these processes is that they have as their aim the maintenance or enhancement of a particular area of community wellbeing, such as crime prevention, community health, educational development, environmental protection or welfare assistance. In its explicit focus on the wellbeing of the community, civic participation may be distinguished from the general area of social participation.

Applicability

This indicator is applicable to all types of geographical communities and some types of communities of interest.

Rationale for inclusion

Much civic participation occurs when there are specific civic issues. For example, building a new freeway has brought communities together to make decisions or to protest against certain possibilities. The fact that people are engaged in local issues means that there is some level of interest in the wellbeing of the local community. Further, cooperative action in the face of issues shows the ability of the community to act. If there are no particular issues, then one would expect a lower level of civic participation in that form. The lack of issues does not mean a lack of community strength. Thus, while the presence of civic participation is a measure of community strength, its absence does not entail community weakness.

Sometimes, particularly in large urban communities, issues are often not as 'immediate' as in a small community. They will be dealt with by a variety of pressure groups and through the engagement of various specialists, rather than through the general involvement of all the people in a local area. For example, even in terms of building freeways, people will expect environmental groups to be examining projects with environmental concerns in mind. They will expect the motoring organisations to consider what the effects will be on traffic flow. Local councils will be expected to monitor likely effects on businesses, homes, and local road traffic in the vicinity. For individuals to become highly involved in issues where a great deal of specialist knowledge and evaluation is required may seem, to many, inappropriate. Some do join groups because they have specialist interests or expertise. Others leave it to the specialists. Thus, the lack of cooperative action at an individual level may not indicate a lack of community feeling.

On the other hand, there are opportunities in all geographical communities in Australia for involvement in civic processes through involvement in political parties, apart from taking action on specific issues. Such civic involvement is an important component of democratic processes.

Putnam (1996, p. 1) distinguishes involvement in voluntary organisations from collective political participation. He notes that, in the United States between 1973 and 1993, there have been declines in the following:

1. 36 per cent decline in attending a rally or speech
2. 39 per cent decline in attending a meeting on town or school affairs
3. 56 per cent decline in working for a political party.

While these may indicate a decline in interest in community and a decline in involvement, it may be that other forms of communication are allowing people to participate. Talk-back radio, television and email are three means in which people hear what is happening and, through radio and email or Internet, are able to voice their opinions. It is possible that the lack of involvement in political parties may be offset by involvement in other organisations, such as environmental organisations, which have a partly political agenda.

Issues in the selection of indicators

The OECD (DEELSA/ELSA 1999, p. 18) has suggested that community group membership and voting are appropriate indicators of social cohesion, and has also suggested counting the average number of groups (such as social welfare services, religious organisations, trade unions, etc.) per respondent in each country. We do not see that the number of organisations per se is necessarily a good indicator of community strength. Organisations can themselves vary in strength and effectiveness. In some situations, a few large organisations may contribute more to community strength than do many small ones. However, measures of involvement are applicable, and will be considered elsewhere in this report. Participation in voting is an appropriate measure of civic participation in many countries, but is not relevant in Australia where it is compulsory. The one exception to this could be local government elections in those States where it not compulsory.

Within a small community, it may be possible to use organisational records to gather objective data about the numbers of people involved in civic activities such as attending meetings and writing letters to papers or councils, over a particular period. In a larger community context, in which there are a great many more options for civic involvement, the collection of such data to measure the extent of civic involvement would be very difficult, unless one focused on a particular form such as the numbers involved in political parties. In the larger community context, it would be easier to measure the extent of civic involvement by surveying individuals.

Onyx and Bullen (1997, p. 17) discuss participation in the local community as one significant part of the measure of social capital. They suggest the following questions for measuring civic participation:

1. Have you attended a local community event in the past 6 months (eg church fete, school concert, craft exhibition)?
2. Are you an active member of a **local** organisation or club (eg sport, craft, social club)?

3. Are you on a management committee or organising committee for any local group or organisation?
4. In the past three years, have you ever joined a local community action to deal with an emergency?
5. In the past three years have you ever taken part in a local community project or working bee?
6. Have you ever been part of a project to organise a new service in your area (eg youth club, scout hall, child care, recreation for the disabled)?

Some of these questions—those dealing with involvement in voluntary organisations—will be considered under the heading 'Not-for-profit organisations and volunteering'. Others are more relevant to small communities than to large urban communities in which a greater proportion of these activities, such as dealing with emergencies or organising new services in an area, will generally be performed by persons specifically employed for this purpose, or by communities of interest rather than geographically identified communities. But even in a large city, none of these questions is entirely irrelevant.

The World Values Survey (1995 and 2000) asked two questions in this area:

1. How interested would you say you are **politics**?
2. I'm going to read out some different forms of political action that people can take, and I'd like you to tell me, for each one, whether you actually **have done** any of these things, whether you **might do** it, or would **never do** it under any circumstances.
    - signing a petition
    - joining in boycotts
    - attending lawful demonstrations
    - joining unofficial strikes
    - occupying buildings or factories.

These questions give an indication of direct political interest and involvement, but not necessarily of other forms of community interest and involvement.

Baum et al. (2000, p. 255) have suggested a range of measures of civic participation, distinguishing three types of involvement.

1. Civic participation—individual activities

    Has the respondent done any of the following activities at all in the past twelve months?

    signed a petition

    contacted a local MP

    written to the council

contacted a local councillor

attended a protest meeting

written a letter to the editor of a newspaper

attended a council meeting.

2. Civic participation—group activities

   Had the respondent been involved in any of the following groups in the past twelve months?

   resident or community action group

   political party

   trade union or political campaign

   campaign or action to improve social or environmental conditions

   local government.

3. Community participation—mix of civic and social

   Had the respondent been involved in any of the following groups at all in the past twelve months?

   volunteer organisation or group

   school-related group

   ethnic group

   service club

   attended church at least monthly.

This last group of activities will be considered in the present report under the heading of 'Not-for-profit organisations and volunteering'.

Conclusions

Measurement of involvement in community issues and affairs could be done in several ways:

1. Measurement of actual attendance at community events, such as community meetings or working bees, could be done quite easily for a small rural community or for a community of interest such as a school. However, it cannot be done so easily in metropolitan areas where there is a vast range of ways in which people may be involved in community activities.

2. To measure involvement in community issues and affairs in a large community or over a variety of communities, it may be easier to ask individuals about their involvement in such activities. Surveys might ask such questions as:

In the past 12 months, how often have you personally expressed your opinion about some issues related to the life of the local or wider community through ringing talk-back radio, writing a letter for a newspaper or to a community leader, speaking to a community leader, attending community meetings, or being involved in a group for community action?

many times

several times

once or twice

not at all.

3. Membership of political parties or standing civic action groups may provide a measure of civic involvement that is less affected by individual issues than would involvement in an single action group or activity.

4. Objective data about numbers of people involved in specific community projects or making donations to civic initiatives such as hospital development may also give some indication of the civic involvement in a community. However, it would be necessary to take into account the fact that the need for a particular initiative may vary from one community to another.

Indicator: Not-for-profit organisations and volunteering

Definition

Not-for-profit organisations include a great variety of mutual and friendly societies, welfare organisations, educational and health organisations, religious and ethnic organisations, amongst others. They are identified by the fact that they are not owned by individuals and do not seek to make financial profits for those involved or for any other group of people. They may, however, employ people to manage them or to undertake work to achieve their aims. Most of them exist for the mutual wellbeing of those who are involved or for the sake of others who benefit from the particular services offered. *Voluntary associations* are a type of not-for-profit organisation managed by people who are not paid a salary or wage. They include organisations that exist to promote certain causes, serve the community through welfare, or advise or support in areas of health, education and the like. They also include amateur sporting clubs and a variety of hobby groups. Here we will consider the numbers of such organisations in existence, the numbers of people involved in them, and the opportunity provided by such organisations to strengthen community life.

This indicator includes participation in voluntary activities without necessarily being a member of a voluntary organisation. Some people are involved in voluntary work, for example, in a hospital or aged care home, in which they assist others, often in the company of other volunteers, but without themselves being members of any voluntary organisation. Likewise, some people engage in voluntary activities such as refereeing an amateur sporting match or collecting money for a charity without necessarily being members of a voluntary organisation. Many people engage in voluntary work as an extension of their professional activities, giving time over and above their normal work duties, for the sake of the community.

Applicability

The involvement of people in not-for-profit and voluntary organisations is related to community strength in all types of geographical communities although some types of voluntary organisation may be more relevant to some types of community than others. The existence of such organisations and the ways in which they operate is also applicable to communities of interest. Many communities of interest revolve around not-for-profit organisations of one kind or another.

Rationale for inclusion

In much of the literature on social capital, involvement in voluntary associations has been taken as one of the major indicators of the level of social capital. It has been argued that community strength is indicated as much by the involvement of people in community organisations as by any other factors. Mark Lyons (2000, p. 168) has argued that:

> Mutual organisations institutionalise social capital. They serve as examples of the efficacy and practicality of social trust, and they practise people in it.

Lyons argues that such organisations have played a major role in human services and income security since the earliest days of European settlement in Australia. However, in some cases their roles or mode of operation have changed over time. For example, some credit unions and

friendly societies which played a major role in assisting people with credit in times of sickness, old age, or when buying a house, have been absorbed by or transformed into for-profit organisations. However, there has been a proliferation of smaller welfare agencies providing specialised care and support of many kinds. The contribution to social capital may vary from one organisation to another. Some research suggests that it depends partly on the size of the organisation, with smaller organisations contributing more to social capital due to greater personal involvement by the members; as organisations reach the point of employing people to administer them, they lose some of their effectiveness in producing social capital (Lyons 2000, p. 182).

Some researchers such as Knack and Keefer (1997) contend that in some instances associations which are highly polarised along ethnic, religious or political lines will have a negative impact on social trust and cooperation in the wider community. These organisations may encourage people to develop high levels of trust within the group. At the same time they may engender a lack of trust of others who do not belong to the association or the ethnic, religious or political group from which it is drawn. This has been found to be true of some religious organisations in Australia. Members of Christian denominations with high boundaries and a clear sense of those who were 'in' the group or 'out' of it, tend to have had lower levels of trust in people than do those who are not members of any religious group (Hughes et al. 1999a). The data also reveal that the relationship between involvement in voluntary organisations and social trust is weak in the Australian adult population (Hughes et al. 1999b, p. 18).

It appears that the impact on community strength varies according to the nature of voluntary or not-for-profit organisation. Those organisations which draw people together to work on common projects may contribute to people's social support networks as well as training people to work together. Those which directly assist communities, for example through providing volunteer firefighting facilities or planning cultural, sporting, educational or health activities, contribute to community strength directly through their activities and through the resources they provide. However, not all voluntary organisations exist for the wellbeing of others or the community. Some exist only for the interests of a small group of members, interests which may, in some instances, be contrary to the broader interests of the communities. Some voluntary organisations are exclusive implicitly or explicitly, and may thereby discourage wider cooperation within the community.

Voluntary organisations fill many holes where paid employment is not available, either because the scale of operation does not warrant paid employees, because there are no suitable people to be employed, or for other reasons. The Australian Community Survey (1998) undertaken by the authors of the present report found that involvement in voluntary organisations was much higher in rural areas than in urban areas, and this may reflect smaller scale operations and lower levels of specialisation in rural areas. For example, firefighters in cities have to cope with many sorts of industrial fires and thus need to be more highly trained than in rural areas.

Many areas of life are becoming more specialised as technology becomes increasingly complex. This is contributing to a decrease in voluntary involvement in a range of ways, from welfare and health to sport. It does not necessarily indicate lower levels of social strength. Indeed, offering

paid employment is one way in which a community indicates the value of the work that is being done. On the other hand, much voluntary work is done by professionals and specialists who use their particular skills for the benefit of the community, such as the accountant who audits the books of a community organisation, or the academic who prepares materials for the media.

It has been noted that the patterns of voluntary activity and community involvement may be changing. Robert Wuthnow (1996), for example, has argued that the small-group movement is very important. He has found that, in America, 40 per cent of the population were involved in a small group which met regularly and provided care and support for its members. About half of these groups have an explicit religious focus. Others include self-help groups, support groups and recovery groups. He argues that in these groups, intimate friendships do develop and they are an important source of social capital. According to his survey:

1. 82 per cent said their group made them feel they weren't alone;
2. 72 per cent said it gave them encouragement when they were feeling down;
3. 43 per cent said it helped them through an emotional crisis;
4. 74 per cent said they had worked with the group to help someone inside the group who was in need;
5. 62 per cent said they had worked with the group to help other people in need outside the group (Wuthnow 1996, p. 36).

Anecdotal information suggests that one reason why involvement in formal voluntary organisations may have fallen over several decades is that a greater proportion of the population is involved in the workforce. The entry of married women into the workforce in large numbers through the 1960s and 1970s led to the demise of some voluntary associations. Changes in work participation in the future may affect the availability of people for voluntary involvement.

Issues in the selection of indicators

The ABS surveys on voluntary activities (1995 and 2000) are comprehensive in their measurement of involvement in voluntary organisations. They have asked questions about:

1. type of organisation
2. whom the organisation is assisting
3. nature of activity of the individual in the organisation
4. time spent in voluntary activity
5. reasons for involvement
6. benefits to the volunteer.

It is not clear whether their questions cover voluntary contributions to non-voluntary organisations, such as collecting donations for a hospital. Nor do they cover other forms of voluntary support such as donating money. It would also be important to note whether the

voluntary involvement involved pursuing the common interests of the members of the voluntary organisation or whether it involved assisting people or serving the community in any way beyond the interests of the members.

The *Trust and Citizen Engagement in Metropolitan Philadelphia* survey (Pew Research Center 1997) asked questions about the indirect personal benefits in terms of social networks and support which came from such involvement:

> And when you volunteered for this organization did you mostly do things that required you to work with other people or did you mostly do tasks by yourself?
>
> Do you feel close enough to anyone you know from this volunteer activity to ask them for help with a personal problem?

Apart from asking individuals, it is possible to collect information about the numbers of voluntary organisations, the sorts of activities they do, and the numbers of people who are involved in them. This information is not so dependent on individuals' subjective assessments.

Considerable work has been done by Mark Lyons to measure economic activity of the not-for-profit sector. However, he notes that this would not be a good measure of its contribution to social capital (Lyons 2000, p. 171). Economic activity mainly reflects the operations of the larger not-for-profit organisations with paid employees—which are exactly those which have less impact on social capital because they call for less involvement by community members.

Conclusion

Information about the numbers involved in community groups and voluntary organisations, the types of organisations and their purposes, may provide a useful indicator of community strength. However, it needs to be counterbalanced by information about the availability of, and the capacity of community members to pay for, various types of professional services in such fields as health and welfare.

Information on voluntary organisations will not pick up the wide range of voluntary activity which is undertaken outside the context of voluntary organisations. This information will be gathered more effectively by asking individuals about the voluntary activities which they undertake.

It is important to measure the impact of voluntary activity on the wellbeing of the community. It is also important to measure both formal membership and informal involvement in voluntary organisations and to look at what sorts of organisations people are involved in.

The questions developed for the ABS survey of voluntary work do this. However, to those questions could be added further questions about small group involvement plus those asked in the Philadelphia study (referred to above). It would also be important to add a question about the nature and purpose of the organisation in the light of the fact that some organisations or small groups may have explicit objectives or implicit characteristics which are inimical to the interests and wellbeing of the broader community.

Indicator: Relationships of organisations to individuals and communities

Definition

The relationships between the individuals who comprise a community and the organisations functioning within that community are important in assessing community strength. The particular characteristics of the relationships that will be considered include accessibility and confidence in organisations on the part of clients, customers and employees, and the commitment and contribution of organisations to community life.

In addition to not-for-profit and government organisations, private enterprise organisations have a significant impact on community life through the resources they can provide, the employment they offer, and potentially through the community and environmental resources they consume. Organisations have the capacity to make considerable contributions to, or may detract from, the strength of communities. Some organisations, such as Rotary, have charters in which they identify community and social responsibilities.

Two levels of organisational life need to be considered. Firstly, there are individual organisations identified by their distinct management and financial structures. Traditionally, such organisations have been divided into three sectors:

1. public sector organisations, including government operated schools, local government councils, public hospitals, and publicly owned utilities;
2. private enterprises such as manufacturers, retailers, and private service agencies; and
3. not-for-profit organisations, including most sporting clubs, churches, and welfare organisations.

It should be noted that the relationship between individuals and voluntary organisations is considered in a separate section of this report. Issues of trust in and relationships with people who have designated leadership responsibilities within a community are specifically addressed under the heading of leadership.

The second level of consideration of organisational life is in terms of the 'expert systems' within which many organisations operate. While people have feelings about individual organisations, businesses, clubs and associations, schools and hospitals, and so on, they also have feelings and opinions about the wider systems in which organisations operate. People have various levels of confidence, for example, in the retail system as a whole, the ways it is regulated, the mechanisms by which problems can be redressed or disputes resolved, as distinct from confidence in particular shops. Likewise, people have feelings about the operation of government as a total system, about education and health systems, the public utilities, media and legal systems.

Applicability

Relationships between individuals and organisations are an issue for all geographical types of community and for at least some communities of interest.

Rationale for inclusion

Social capital literature has generally argued that individuals' relationships with business firms or government agencies are 'vertical' rather than 'horizontal'. Putnam has argued that such vertical relationships do not contribute to social capital. Nevertheless, while individuals do not see themselves as having equal power with the police force, the church or companies, they do not necessarily see themselves as being controlled by them. Rather, such organisations may well be seen as valuable resources, important to the operations of community life. Organisations are powerful operators in society, and people are reassured when they feel that these organisations are acting in the interests of the community.

Negotiating with organisations is an important part of living in contemporary communities. Through linkages with organisations, people access considerable resources beyond those that lie in the hands of individuals. Whether it be banking, organising one's electricity supply, getting one's car serviced, negotiating insurance, or applying for welfare benefits, much of contemporary life involves knowing what organisations can provide what services, and how to negotiate with organisations in order to obtain those services. Many forms of action will depend on people knowing when and how to access organisations, whether they be government, police, media, legal, or commercial. The strength of community life will depend on the accessibility of such organisations and the ability of people to access the resources they provide. It will also depend, to some extent, on people's sense that the organisations they may need to access are trustworthy in that they will provide good quality products and services at a fair price; and that there are accessible means of redress if the organisations act unfairly.

It has been suggested that relationships between employees and employing organisations have important implications for social strength (Latham 2000, p. 219). The workplace is an important form of social involvement and trust which is generated there flows into other parts of society. One might also contend that people's willingness to pay for the goods and services produced is an indication that other members of society value the work that is being done. The fact that work is done for pay does not mean that it is necessarily being done in a totally self-interested way.

The ways in which people relate to organisations depend partly on their perceptions of the ways in which 'expert systems' operate. For example, attitudes to private companies may depend on the extent to which companies are transparent in their management and financial operations; this in turn may depend on both the existence of and the effectiveness of regulations that govern disclosure of operations. Confidence in the education system depends partly on the processes by which teachers are trained and accredited and the ways in which they are held accountable by the educational system as a whole. It depends partly on the way curricula, conditions and resources are regulated and the ways in which compliance with the regulations is checked. The fact that all research projects have to be vetted by an ethics committee may increase public confidence that researchers will take into account the needs and interests of those who are the subjects of research.

It may be argued that there is little opportunity in contemporary urban societies for people to build trust through familiarity. Many interpersonal dealings are with strangers, whether they be in business enterprises, government agencies or other organisations. This is partly a result of the high level of job specialisation in modern urban societies. The levels of trust cannot depend on familiarity with specific individuals. Rather, they depend on the reputations of companies and organisations, and on the levels of confidence in the expert systems within which these companies and organisations operate.

Community strength, in terms of the ability to be meet community challenges or to act within communities for the wellbeing of community members, depends on the relationships which people have with various organisations, the ways in which they are able to access resources, and their confidence in dealing with them. Relationships with government agencies are part of this. Where there are effective lines of communication between community members and government at local, State and national levels, governments can respond to the needs of the community more rapidly and effectively. Likewise, community members and community organisations can work more efficiently and effectively with government.

John Murphy and Barrie Thomas (2000) of The Body Shop have argued that business operates most successfully in a democratic, well-ordered society. It is dependent on the education of potential employees and the levels of health and wellbeing of its employees. Consequently it should be accepting joint responsibility with governments and communities for addressing social problems. Corporate citizens, as well as individual citizens, should have values and a responsibility to the communities in which they exist (Murphy & Thomas 2000, p. 138).

In 2000, the Centre for Corporate Public Affairs, in conjunction with the Business Council of Australia, published a report entitled *Corporate Community Involvement*. The report details how many companies are taking a broad view of their social responsibilities, including among them a responsibility to external communities. Some see this as part of the process necessary for sustaining the business. Others believe that it is important to put something into the communities of which they are part (Centre for Corporate Public Affairs 2000, p. 11). This is occurring in a variety of ways, including partnerships with government and non-government community organisations, through making financial contributions to community activities and services and through encouraging employees to take part in community activities and services.

Issues in the selection of indicators

It has been common in a range of surveys to ask about levels of confidence in systems. For example, the World Values Survey (1995 and 2000) asked

> I am going to name a number of organisations. For each one could you tell me know much confidence you have in them: is it a great deal of confidence, quite a lot of confidence, not very much confidence or none at all?
>
> — the churches
>
> — the armed forces
>
> — the legal system

— the press

— television

— labour unions

— the police

— the government in your capital

— political parties

— parliament

— the civil service

— major companies

— the Green/Ecology movement

— the women's movement

— the European Union or relevant regional organisation

— the United Nations.

The World Values Survey (1995) continued with a number of questions about the political system:

> People have different views about the system for governing this country. Here is a scale for rating how well things are going: 1 means very bad and 10 means very good.
>
> Where on this scale would you put the political system as it was 10 years ago?
>
> Where on this scale would you put the political system as it is today?
>
> Where on this scale would you put the political system as you expect it to be in ten years from now?

A further question asked:

> Generally speaking, would you say that this country is run by a few big interests looking out for themselves, or that it is run for the benefit of all the people?

These questions provide indicators of people's general feelings about the major social organisations. However, the questions may not be sufficiently specific for the purpose of looking at community strength. There are a variety of ways in which people may have confidence in organisations. Confidence that the organisation will operate effectively according to its own internal rules and standards may be different from confidence that it will serve the interests of the community. A key issue is whether people feel that the systems are regulated and organised with appropriate levels of transparency and accountability to the public, and that they will

operate justly in relation to employees and effectively in providing services to the public and community. The questions above do not distinguish between the various forms and levels of accountability and transparency expected of different organisations.

Hogan and Owen (2000, p. 90) asked respondents to their survey whether they trusted various institutions or categories of people:

> How often can you trust each of the following to act in your best interests?
>
> — your minister / priest
>
> — the police
>
> — local councils
>
> — political parties
>
> — politicians generally
>
> — public servants
>
> — the State government
>
> — the federal government.

They found that there was considerable disparity in levels of trust expressed towards the various institutions or categories of people. There was nevertheless also a common factor, indicative of a general disposition to trust.

The *Trust and Citizen Engagement in Metropolitan Philadelphia* study (Pew Research Center 1997) went into more detail in these areas of trust than any other survey. It began by asking questions about groups of people, then about specific organisations serving the area. It also asked people what limited their trust:

> Would you say you can't trust them very much because they don't care about you, they don't know how to do their job, they don't have the resources they need to do their job or because they are not always honest?

Their questions did not cover a large range of organisations, and omitted many which affect the daily lives of people and communities, including banks, health services, transport organisations, and suppliers of public utilities such as water, gas and electricity. However, the questions provided considerable depth in measuring people's feelings of trust towards some particular types of organisations.

The Pew study added a number of questions about whether people felt they could contact officials to take up concerns in relation to the local neighbourhood or the local school, and whether they felt their concerns would be heard.

> Suppose you had some problem to take up with an important local official, such as the mayor or local council member, but you did not know this official. Do you feel that you would have to find someone who could contact the official **for** you, or could you contact the official directly?
>
> In such a situation arose, do you think it would be easy for you to find a person who could contact the official for you?
>
> Have you ever tried to get your local government to pay attention to something that concerned you? Were you successful in getting local government to do what you wanted?
>
> Suppose there is something at your child's school that you feel should be changed or improved. Do you feel you would know how to get this thing changed on your own, or would you need to get help from someone who knows how to get these kinds of things done?

There are other sources of information that might be used. For example, information could be gathered from organisations about the numbers of complaints received or perhaps something relating to the numbers of personal issues addressed. Yet, such information may be misleading. Some people would only approach organisations if they felt that they would be heard. The number of complaints might be inversely related to the efficiency and effectiveness of the organisation; or it might be directly related to people's confidence that complaints would be addressed.

To investigate fully the ways organisations provide access to resources, information about products and services, and mechanisms for dealing with complaints would require a range of other questions. The complexity is compounded by the different expectations that people have of various organisations and organisational roles. For example, what people expect of a doctor would be quite different from their expectations of a producer of furniture. Further questions would also be needed to cover the variety of relationships of customer, client, franchise operation, employee, and so on. People chosen to lead communities have specific responsibilities that are considered in detail under the section on community leadership.

Information about organisations, apart from surveyed opinions, may be helpful. The transparency and accountability of organisations could be measured by looking at the ways in which their financial and decision-making processes were reported and who played a part in the decision-making processes. One could also look at the complaints procedures and the ways in which people were informed about the possibility of using such procedures.

In looking at other ways in which organisations can directly contribute to social strength, there are a variety of activities that may be measured:

1. corporate funding of community projects;
2. corporate volunteering in community projects;
3. involvement of communities in corporate decision-making which may affect community life;

4. contributions to community infrastructure through such things as housing, transport and communication links, safe environmental processes; and

5. partnerships between business and community organisations.

A recent study of corporate involvement in communities indicates that there are as yet no standard ways of measuring levels of involvement. Some companies are doing it through descriptive reports of cases, others through financial reports of contributions. However, some new systems for auditing community involvement are being developed, not only for the use of the companies themselves, but for reporting to stakeholders such as shareholders and members of communities (Centre for Corporate Public Affairs 2000, chapter 6).

Conclusion

Relationships between people, organisations and systems play an important role in community strength. Many important resources are accessed only through organisations and systems. If people feel they can trust organisations and systems to respond to their needs and those of the community, this can help to empower those people and their communities.

As a fairly comprehensive series of questions to individuals, the following might be asked:

> To what extent do you believe that the following systems take into account community interests in their operations?
>
> — the legal system
>
> — the media system of press and television
>
> — current employer/employee systems
>
> — the health system
>
> — the educational system
>
> — the banking system
>
> — the public transport system
>
> — the police
>
> — the local government systems
>
> — the State government system
>
> — the Federal government system
>
> — the public service
>
> — major Australian companies
>
> — major overseas companies
>
> — the churches

— the Green/Ecology movement

— the women's movement

To what extent do you feel that you are able to access, as you need to, the resources provided by the following organisations?

— hospitals

— schools

— shops

— police

— local councils

— State government departments

— Federal government departments

— public transport organisations

— employment agencies

— labour or professional associations relevant to your sphere of work

— banks

— electricity and gas companies

— telephone and telecommunications companies.

Further questions might be asked about the extent to which people feel that persons operating within these systems respond to community needs and interests. The categories of people listed below are subject to a variety of pressures, and have to respond to a variety of interests. Some of these pressures will come from outside a particular local community. Thus, one might not expect that local bank managers would respond to community interests in quite the same way as, say, local clergy. Questions such as the following could be asked:

To what extent do you feel that the following groups of people act in the interest of the community?

— local doctors

— local clergy

— local lawyers

— management of local shops

— management of local businesses

— local police

— local school teachers

— local council officers

— local bank managers.

To what extent do you feel that your employer listens to your needs, concerns and interests as an employee?

To what extent do you feel that through your employment you are able to contribute to the wellbeing of others or the community as a whole?

These questions provide limited indicators of general feelings about organisations. The variety of expectations people have of the various organisations that contribute to community life, the issues of transparency, accountability and accessibility would need more detailed questions spelt out in relation to specific types of organisations.

Other information may be gathered from corporate and government organisations within a community. Attention could be given to:

- transparency of operation and finances of the major systems and companies;
- mechanisms of accountability of organisations to communities;
- contributions, financial and in terms of volunteer time, to community wellbeing, community projects and community infrastructure;
- partnerships between corporate and community organisations, and sponsorship of community projects; and
- mechanisms by which organisations care for those employed by them.

Section B. Qualities of processes

Indicator: Social trust and trustworthiness

Definition

Social trust has to do with the extent to which people regard others as likely to be dependable, to keep promises and to speak honestly (Hughes et al. 2000, p. 225). It usually involves the expectation that the other person or group will not act in a way which would cause one harm. It differs from personal trust in that it is a generalised attitude toward the people with whom one connects on a day-to-day basis, rather than referring only to the relationships between people who know each other intimately, such as the members of a family.

One of the most extended sociological discussions of trust is that provided by Barbara Misztal (1996). She identifies a range of aspects of trust including:

- predictability in the habits and rules of social interactions;
- a passion of loyalty and commitment in relationships; and
- a policy of cooperation with others irrespective of sanctions and rewards.

In this section of the report, trust will be examined in terms of attitudes to others, both known and unknown. Confidence in organisations and systems is considered primarily under that specific heading.

Trust is also a response to trustworthiness, to people acting according to the ways expected or promised, taking into account the interests of the other person. Trust and trustworthy behaviour are two sides of the same phenomenon.

Applicability

Trust is an important issue in all forms of community. However, it will be argued that the basis for and the nature of trust may vary to some extent from one type of community to another.

Rationale for inclusion

Trust contributes to community strength and the smooth functioning of society. Fukuyama, for example, has argued that trust is an important component of business. It smooths the path of business transactions and it contributes to the economic wellbeing of a community (Fukuyama 1995, ch.13).

Trust occurs in many situations and may take on somewhat different characteristics in different situations. For example, trust in other road users is important for one's own sense of security in road travel. One trusts that other road users will keep the rules of the road and will act in a rational ways. Such trust does not imply that other drivers are necessarily regarded as trustworthy in all spheres of life.

The sort of trust which is most important for social strength is the trust that people will generally act in the interests of the community, or, at least, in ways that will not deliberately harm the interests of the community. However, in some situations, where people are sharing a

risk or seeking to meet a challenge together, such as protecting their homes against floods or fire, much higher levels of trust are needed. Trust may often involve some element of expectation of reciprocity: that people will return the good deeds that are done for them.

A lack of trust causes tensions between people and can ultimately lead to the breakdown of social order and integration (Misztal 1996, p. 26–64). It can cause isolation, alienation and insecurity. If people feel they cannot trust others, they will seek to avoid them or will withdraw from situations in which they may meet them. This may lead to the development of ghettos of groups that do not trust each other. In extreme cases, it can lead to open conflict and war.

Trust recognises trustworthy behaviour. It is inappropriate to trust people who do not act in trustworthy ways. Trust, in itself, can be naive and can open people to manipulation by others. What is needed for social strength is both trust and trustworthy behaviour in which people do return the good deeds that are done for them, act according to promises, and behave in ways which recognise the interests of others.

In communities where there are high levels of trust and trustworthy behaviour, people are less dependent on coercive force to maintain social order and public law. Trust reduces the cost of maintaining public order. Trust encourages people to take risks in terms of business and community enterprises, and even in terms of developing relationships with each other. Trust encourages innovation.

Trust has often been built within the context of familiarity with people. People trust certain other people because they are familiar with the ways in which those people behave. If they do not personally know them, they will seek advice from those who do. Many rural communities operate in such a way.

However, in urban societies, people often have little personal knowledge of the people they meet or with whom they do business. They do not know their background. They may have never met them before, and if they have, have not met them outside one particular context of their lives. In such circumstances, familiarity cannot be used as a basis for trust. Trust is developed more on the basis of the organisations and systems within which people are operating. If the person is an employee of a shop, then the trust in the employee will depend largely on the reputation of the shop, or perhaps of the chain of shops. Trust of the teacher may depend partly on the trust one has in the educational system and the mechanisms whereby teachers are trained, employed and accredited.

Whereas, in contexts of familiarity, trust may involve the expectation that the individual will return the good deed done for her or him, this may not be so relevant in most urban situations, where contact is often fleeting. In these situations, there may be expectations of 'serial reciprocity': as I do good deeds to others, so they will do good deeds to others again, and ultimately people will also do good deeds to me. Hence, one may be trusting of strangers, expecting them not to act in any way that might cause one harm; indeed, in at least some circumstances, relying on strangers to provide help. Where people are constantly dealing with strangers, such trust is important for the smooth operation of society. Trust lies at the foundation of civil society.

It has been argued that people are basically self-interested. Some have argued that competition is based on that self-interest, and is the only realistic basis for society. However, others argue that self-interest and altruism can ultimately come together in that it is in the self-interests of most people to act in ways that develop goodwill in others. Most people act in short-term altruistic ways with the expectation that they will derive the benefits of such action in the long term, not only with the expectations of 'serial reciprocity', but also with the rewards of social recognition (Latham 2000, p. 194).

Issues in the selection of indicators

A question contained in the World Values Survey (1995 and 2000) has been used widely to measure trust and explicitly measures people's feelings that other people act in trustworthy ways:

> Generally speaking, would you say that most people can be trusted or that you can't be too careful in dealing with people?

However, the Australian Community Survey (1998) conducted by the authors of the present report showed that 'trusting people' and 'being careful in dealing with people' were not exactly opposites. One indicated the expectation that people would act in predictable ways while the other indicated a general open-heartedness towards people. Further, the Australian Community Survey found that 'trusting local people' and 'trusting most Australians' produced some significantly different patterns in different regions. For example, while people living in small rural localities generally had high levels of trust in local people, they had lower levels of trust in 'most Australians'. In lower socioeconomic urban areas, it was the opposite. People had higher trust in 'most Australians' than in 'local people' (Hughes et al. 1999b).

Thus, the Australian Community Survey included four questions about trust. In various parts of the survey, it asked respondents whether they agreed or disagreed with the following statements:

> Generally speaking, most people in my local area can be trusted.
>
> Generally speaking, most Australians can be trusted.
>
> Generally speaking, you can't be too careful in dealing with most people in my local area.
>
> Generally speaking, you can't be too careful in dealing with most Australians.

Onyx and Bullen (1997) asked some quite specific questions about displays of trust. These questions have the advantage that they deal with specific issues. However, this is also their disadvantage, as they assume certain expectations, and the range of behaviours they examine is quite small.

> Do you feel safe walking down your street after dark?
>
> Do you agree most people can be trusted?
>
> If someone's car breaks down outside your house, do you invite them into your home to use the phone?

Does your area have a reputation for being a safe place?

Does your local community feel like home?

The Philadelphia survey of trust and citizen engagement (Pew Research Center 1997) probed more deeply in a range of ways. Having asked whether one could trust people, it then asked why the respondent felt that way, and of what kinds of people respondents felt they had to be careful.

It may be important to consider the roots of trust. According to the Philadelphia study, people trust most those with whom they are very familiar, or those with whom they share similar values. Thus, after the family, people in Philadelphia trust those people they meet in the context of church—with whom they share common values. They trust these more than those they meet in clubs or associations or those with whom they work on a daily basis.

It should be noted that trust in leaders is an issue of particular concern and is considered under the heading of leadership.

Conclusion

Trust is primarily an attitude of individuals. While one may look at certain behaviours, it is probably best gauged by asking individuals about their trust of other people. However, the best questions involve probing particular types of situations and groups of people. In particular, it is important to ask whether people trust others sufficiently to cooperate with them in community life or to deal with them in business, or whatever the specific need is, and whether people are sufficiently trustworthy for cooperation to occur.

Different levels of trust will be appropriate for different groups of people. Thus, an appropriate level of trust toward strangers may be that they will not harm one, or will act within the law. An appropriate level of trust in a neighbour may be that somewhat higher. One might expect even higher levels of trust in one's family where the level of interdependence is much greater.

In terms of specific behaviours, it may be helpful to ask questions such as the following, noting that the situations referred to in questions will depend on the nature of the community. Some of these questions explicitly ask about the trustworthy behaviour of others, something that is difficult to measure in other ways as it involves an evaluation of people's motives:

- Does lack of trust of others hinder you from using public transport?
- Does lack of trust of others make you stay at home at times when you would rather go away?
- Does lack of trust lead you to refrain from contact with other local people?
- Does lack of trust lead you to refrain from using the services of any particular businesses or shops?
- How much do you trust most strangers to act according to the law?
- How much do you trust most strangers to act in ways that will not cause you harm?

- How much do you trust most people with whom you do business to be honest in their dealings?
- How much do you trust your neighbours to act in the interests of the neighbourhood?

Indicator: Altruism and reciprocity

Definition

Altruism is evidenced by behaviour in which people put other people's interests before their own. Altruism may occur not only in relationships between two people but also as one person serves the interests of a community at some cost to his or her own interests.

Reciprocity has been described as 'short term altruism and long term self-interest' (Onyx & Bullen 1997, p. 5). It is behaviour in which two parties act helpfully toward each other; however, the return of a kindness might not necessarily be immediate or identical in form. It is rooted in the thinking that if everyone helped others, the world would be a better place, and everyone would benefit. Reciprocity is closely related to trust, which assumes that people will act in benign and dependable ways.

Applicability

Both altruism and reciprocity can contribute to the strength of all types of community.

Especially in large urban communities, the expectation of reciprocity may not necessarily be based on an assumption that the particular individual receiving the help will eventually return the kindness to the originator of the action. Instead, there may be a notion of serial or generalised reciprocity—the expectation that if people generally consider the wellbeing of others, then people will eventually receive as much as they give.

Rationale for inclusion

When people are acting only out of their immediate self-interest without any concern for the wellbeing of others, this may reduce the strength of a community. Conversely, community strength generally increases when members of the community are willing to sacrifice benefits to themselves for the benefit of the community as a whole. Community strength also increases where there is long-term reciprocity in helpful behaviour among members of a community.

It has been suggested that altruism and reciprocity help a society to 'maximise the success of its collective institutions' (Latham 2000, p. 196). Altruism and reciprocity are essential ingredients of strong family life. While there is both short-term and long-term reciprocity within most families, good parenting depends on the parents acting in altruistic ways when children are unable to return any kindnesses. Reciprocity is often the basis on which neighbours live alongside each other in trust, looking out for each other's interests as well as their own. Sometimes pure altruism is the basis on which community members respond to others facing a crisis or experiencing some other form of need. Reciprocity is important in the successful functioning of many work communities and other communities of interest. There, too, altruistic behaviour can sometimes be found.

Issues in the selection of indicators

Bartle (2000) states that altruism is reflected in levels of generosity, individual humility, communal pride, mutual supportiveness, loyalty, concern, camaraderie, and sisterhood/brotherhood. However, some of these behaviours might be expressions of reciprocity rather than necessarily being examples of pure altruism. It is sometimes difficult to discover whether

action is purely altruistic or whether it is done with the expectation that, in the long-term, it will be reciprocated. The notion of serial or generalised reciprocity adds a further complication. Moreover, behaviour that benefits the community as a whole may ultimately benefit the individual as well, whether on not this was the motivation behind the behaviour. Despite these complications, it is reasonable to assume that altruistic behaviour, public-spirited behaviour (whether purely altruistic or not) and reciprocity of helpful behaviour contribute to community strength.

The following questions have been asked by Onyx and Bullen (1997, pp. 17–19) to provide indicators of some of these behaviours:

In the past three years, have you ever joined a local community action to deal with an emergency?

- In the past three years, have you ever taken part in a local community project or working bee?
- Have you ever been part of a project to organise a new service in your area (for example, youth club, scout hall, child care, recreation for disabled)?
- Have you ever picked up other people's rubbish in a public place?
- At work do you take the initiative to do what needs to be done even if no one asks you to?
- In the past week at work, have you helped a workmate even though it was not in your job description?
- Some say that by helping others, you help yourself in the long run. Do you agree?

The Australian Community Survey (1998) used two items to measure altruistic attitudes among its respondents. Respondents were asked how strongly they agreed or disagreed with the following statements:

- It is more important to act on your individual rights than to look to the needs of others.
- It is more important to put responsibilities towards others before your own rights.

Responses to these two statements correlated more highly than almost any other fact (except educational attainment) with a scale of social trust, the absolute value of the correlation being. 20. On this basis, it has been argued that values education in which students are encouraged to put themselves in the place of others, to take account of the feelings and needs of others, and to develop patterns of behaviour that are considerate and compassionate would make a significant contribution to social capital (Hughes et al. 2000).

Although it did not ask people directly about their own altruism, the *Trust and Citizen Engagement in Metropolitan Philadelphia* study (Pew Research Center 1997) sought information on people's perceptions of the helpfulness or self-interest of others:

- Would you say that most of the time people try to be helpful, or that they are mostly just looking out for themselves?

Where respondents chose the latter answer, the survey probed further by asking why the respondents felt that people mostly look out for themselves.

The Social Capital Household Measurement survey developed by Krishna and Shrader (1999) contains the following items on reciprocity and cooperation:

1. People here look out mainly for the welfare of their own families and they are not much concerned with village/neighbourhood welfare. Do you agree or disagree with this statement?
2. If a community project does not directly benefit your neighbour but has benefits for others in the village/neighbourhood, then do you think your neighbour would contribute time for this project?
3. If a community project does not directly benefit your neighbour but has benefits for others in the village/neighbourhood, then do you think your neighbour would contribute money for this project?
4. Please tell me whether **in general** you agree or disagree with the following statements:

   [a] *Most people in this village/neighbourhood are basically honest and can be trusted.*

   [b] *People are always interested only in their own welfare.*

   [c] *Members in this village/neighbourhood are always more trustworthy than others.*

   [d] *In this village/neighbourhood one has to be alert or someone is likely to take advantage of you.*

   [e] *If I have a problem there is always someone to help you.*

   [f] *I do not pay attention to the opinions of others in the village/neighbourhood.*

   [g] *Most people in this village/neighbourhood are willing to help if you need it.*

   [h] *This village/neighbourhood has prospered in the last five years.*

   [i] *I feel accepted as a member of this village/neighbourhood.*

   [j] *RURAL: If you lose a pig or a goat, someone in the village would help look for it or would return it to you.*

   URBAN: If you drop your purse or wallet in the neighbourhood, someone will see it and return it to you.

Questions 1, 2, 3, and 4 (a), (b), (d), (e), (g), and (j) measure the opinions of people about the general levels of people's willingness to help each other and to undertake actions that will benefit the community, perhaps at some cost to themselves. By asking about other people, rather than about themselves, the problems of the validity of the responses being marred by social desirability factors do not so readily arise. However, a limitation of these questions is their reference to 'neighbourhood'. Most urban people live much of their lives beyond the neighbourhood, and it is important to measure social capital in the various types of community

in which they might be involved. It is also likely that some people will become involved in projects that benefit the city, the state or the nation, not necessarily the local neighbourhood, as implied in questions 1, 2 and 3. A recent example in Australia is the 47 000 people who served as volunteers for the Olympic Games.

Conclusion

A critical factor in community strength is people's willingness to act for the good of the community or for the wellbeing of other members of the community, even at some cost to themselves. They may do this out of pure altruism. Or, at the other extreme, they may do so in the belief that this will ultimately benefit them, whether through the social status or recognition they may receive or through the eventual reciprocation of helpful behaviour. Between these two extremes, there may be various mixtures of motivation.

The extent to which such attitudes and behaviour exist can be partly gauged by asking people about the extent to which they feel that others will undertake actions that benefit the community even when these involve some sacrifice of time, money or other resources by the person performing the action but will not necessarily bring any immediate benefit to that person.

The items from Krishna and Shrader (1999) could be adapted in the following way:

> Do you think most people in your community (specify local community, wider community or community of interest) would be willing to contribute time to community projects from which they would not receive any personal benefit?
>
> Will not contribute time
>
> Will contribute time
>
> Don't know/not sure
>
> No answer
>
> Do you think most people in your community (specify local community, wider community or community of interest) would be willing to contribute money to projects from which they would not receive any personal benefit?
>
> Will not contribute money
>
> Will contribute money
>
> Don't know/not sure
>
> No answer

Do you agree or disagree with the following statements?

(Agree strongly, agree, don't know/neutral/unsure, disagree, disagree strongly)

> People in your community (specify local community, wider community or community of interest) generally place their personal interests before those of the community.
>
> Most people in your community are willing to help if you need it.
>
> If you drop your purse or wallet in your community, it is likely that someone will see it and return it to you.
>
> People in your community are generally interested only in their own welfare.

However, responses to questions such as these need to be supplemented wherever possible by observational and documentary information about actual giving of time, money and other resources to community projects, about other forms or altruistic and community-minded behaviour, and about various forms of reciprocity.

Indicator: Shared norms, ideals and purposes, and proactivity

Definition

Norms are patterns of behaviour which have been prescribed or agreed by a group of people. They indicate what forms of behaviour are considered appropriate, or are socially approved, in specific types of social context. To the extent that norms are shared throughout a community, they are patterns of behaviour which are recognised by the members of a community as being appropriate within that community.

Ideals and purposes go beyond norms in that it is not necessarily expected that people will demonstrate them in their behaviour, but rather that people will acknowledge them and strive towards them. They may represent more general patterns of life or community to which people might strive, which provide objectives.

Proactivity is the willingness to undertake activity to achieve community ideals and purposes or to take action which is seen as being for the benefit of the community. Community strength depends on people's willingness to take action on the basis of ideals and purposes, rather than remaining passive and dependent on action others might take.

Applicability

This indicator applies to all types of communities.

Rationale for inclusion

Social action is made easier where there are shared norms, where people agree about how to act in relation to each other. There are many norms which are neither right nor wrong in themselves, but where agreement on them makes action easier. Society would quickly be reduced to chaos if there were no norms about which side of the road one should drive on. Legal prescriptions back up the norms in such important cases. However, there are many other norms that will be taken for granted across a culture. Whether it be turning one's head away when sneezing, or not interrupting a person who is speaking, norms smooth the way for social interaction. When norms are not recognised, as often happens when people mix cross-culturally, people may give unintentional offence to others, which impedes social interaction.

While some shared norms contribute substantially to social capital, others are of less importance. Norms about meal times vary from one culture to another, but are not often important. Other norms that have to do with the particular sphere of communication such as 'how one does business' will be important in the sphere of business, or norms about what gives offence to others and what does not give offence, will have importance in general communications.

Language may be seen as a special, integrated and highly complex set of social norms. For communication to take place, these social norms have to be understood by all parties involved. Translation is generally possible, but may offer little more than an approximation of what is said, as world views and culturally-shared ways of thinking are embedded in language. As Richard Trudgen (2000, chapter 5) has shown in *Why Warriors Lie Down and Die*, problems especially with technical language relating to issues such as health and government processes, have had a

major impact on the ability of Indigenous communities in Arnhem Land to effectively use health facilities and to communicate with government agencies. According to Trudgen, the social norms of language had not been shared. Effective translation in relation to technical fields such as health which took into account the differences in culturally-shared knowledge and world-view had not been available. The result was weak Indigenous communities, unable to make use of non-Indigenous facilities.

It has been argued that social capital is a product, not so much of the number of shared norms but of the transparency and rationalisation of rules, norms and values. The transparency of rules, norms and values is defined as the 'comprehensibility of the rules, norms, and values of an institution or society to its members'. Where rules, norms and values are more comprehensible, behaviour becomes more understandable and predictable. This, in turn, strengthens cooperative activity and may widen the scope of interaction (Fedderke et al. 1999, p. 718).

Rationalisation refers to the degree to which social capital is embodied in formally codified rules, norms and values. 'The more highly rationalized the social capital, the greater the extent to which such rules, norms, or values assume a procedural as distinct from a substantive form, and the more they assume the form of abstract rules with universal scope' (Fedderke et al. 1999, p. 719). Higher levels of rationalisation permit people to cross cultural boundaries more easily and apply principles to new situations. The example is given of dietary rules. If dietary rules apply to certain specific foods, then it will not be possible to apply those rules to new foods. If dietary rules are more abstract, then they will be easier to apply in new circumstances.

Fedderke et al. (1999) argue that the extent of transparency and the degree of rationalisation are interrelated and there are various levels at which an equilibrium may occur. If the extent of transparency and the degree of rationalisation are out of kilter with each other, then the situation becomes unstable and social capital decreases.

Ideals and purposes provide a focus for community life. Communities may be greatly strengthened by a vision, or by ideals and purposes which are shared by the members of the community. The vision, ideals and purposes become a focus for common action. They provide reference points for the community in its activities. They unite the efforts of the members of the community, and so strengthen both the focus and the activities.

The importance of common norms, ideals and purposes is recognised in many organisations. It may be expressed in a vision statement or in an organisational charter. The statement gives a focus to the activities within the organisation and provides a point of reference for evaluating activities. In a similar way, community life may be strengthened by a vision, expressed in shared norms, ideals and purposes.

Underlying the shared values, however, must be a willingness to act—as expressed in the proactivity of a group of people. Social efficacy depends on people's willingness to take action, rather than merely affirm the norms and ideals.

In many communities, religion has provided the basis for the shared norms, ideals and purposes. Religion has provided a 'story' of the identity of the community, its values, its purposes and its future. It has united communities by giving them a common sense of direction or by identifying a group's adversaries and challenges. However, just as religion has provided the common basis for many communities, it has often caused division within communities, creating sub-communities of people of different religions, and sometimes leading people of one religion to be hostile toward those of another. While unity can be created by religion, so also division can result from religious differences.

Richard Stayner et al. (2000) have drawn attention to the value of proactivity and flexibility in responding to the pressures of change. Stayner et al. argue that it is important for communities to be able to distinguish between local forces for change which may be effectively resisted and broader societal forces for change to which communities need to adapt. Communities which display a positive orientation to change are able to cope better when changes in industry and employment possibilities become inevitable (Stayner et al. 2000, para 2.10).

Issues in the selection of indicators

The indicators most commonly used that have to do with norms are those associated with people taking account of the interests of others—as covered in altruism. As these questions have to do with people's intentions and motivations, it is not possible to gather objective data about them. While the best indicators are the self-reports of individuals, they may not be entirely reliable because of social desirability factors.

At a theoretical level, there is some inherent attractiveness in Fedderke et al.'s suggestions about the nexus between the transparency and rationalisation of social rules, norms and values. However, considerable work would be needed to develop general social indicators that could be used to test such a theory. It may be possible to develop indicators of the comprehensibility of particular community rules or norms, but we not aware of indicators that currently measure such dimensions in a general way.

Surveys such as the World Values Survey (1995 and 2000) have asked various questions about people's ideals for life and society: questions about priorities in economic growth and protecting the environment, about responses to job scarcity, maintaining order in the nation, fighting rising prices, and so on. The World Values Survey asked people to rate the following as 'good', 'bad' or 'don't mind':

- Less emphasis on money and material possessions
- Less importance placed on work in our lives
- More emphasis on the development of technology
- Greater respect for authority
- More emphasis on family life.

The issue of ideals, however, is not only about individual aspirations but about whether there are shared visions which may provide the basis for cooperation. A community is strengthened by having clear objectives, on which members are agreed, and about which people feel it important to act.

In some ways, wars produce social capital in that they bring people together around a common objective that has a high degree of urgency and motivation. In some small rural communities, the threatened closure of a bank or a hospital has led to mobilisation of the whole community in a united effort against the threat to the community. Such threats have provided a real sense of purpose. In the face of threats, people have caught a vision of something that can be achieved in the community, and they have rallied around that vision. Murphy and Thomas (2000, p. 145) note that 'ironically, in some rural communities in Victoria the closure of bank branches has led to the building of social capital through community members working cooperatively to set up their own banks in franchise-type arrangements with other banks'. In recent times, petrol prices have been a major concern in many places, particularly in Europe. People have become motivated to take action. There has been a strong sense of purpose and shared activities, which may have heightened social capital.

Often the issues are not so obvious and not so widely shared. To get some indication of whether there are shared concerns or a shared vision, the most obvious way would be to ask community leaders about the issues, and then to check with members of the community as to how they feel about those issues. One might gather information about public meetings called to deal with community issues. Yet, this may indicate the depth of problems in the community rather than the extent of cooperative feeling in dealing with them or the willingness of community members to be proactive. The proactive element may well relate partly to the extent to which people feel that there are solutions to which they can contribute.

In many cases, people unite as a last resort to solve a problem. The fact that there is a shared sense of purpose might be indicative of some strength and yet the presence of the problem may itself be indicative of weakness.

The Australian Community Survey (1998) asked respondents whether the following were problems in their local communities:

- decline in local business
- lack of support for the poor
- racist treatment of Aborigines
- crime
- decline in quality of the natural environment
- withdrawal of government services and banks
- loss of trust between people
- decline of churches

- lack of vision for future community directions
- too many people leaving the community
- lack of jobs

To improve the quality of information that can be obtained from such a question, another set of questions might be asked about issues identified as major problems:

- Is your community currently engaging this problem?
- Have ways been suggested within your community as to how to solve this problem?
- Are people generally behind these solutions?

The strength of community could be evaluated by the extent of proactivity in face of challenges, people's unity in identification of the problem, their willingness to grapple with it, and their sense of vision as to how the problem could be overcome.

Conclusion

It is more difficult to measure shared norms, ideals and visions than some other indicators of community strength. Yet, shared norms, ideals and visions may provide the context in which people come together to take action within a community. There are many obvious examples where communities have faced a particular challenge with a shared sense of purpose and vision. The sense of purpose and vision has united the community and has produced social capital. Yet, there is an irony that often weaknesses in community life cause people to cooperate. Nevertheless, one community may face a problem passively while another takes action to resolve the problem. Indeed, part of the central concern is to identify whether a community will be proactive in resolving the challenges it faces, using times of change for positive development, or whether it will merely be passive, expecting others to solve its problems for it.

A comparison of survey responses to appropriately worded Likert-type items about particular social norms could be used to assess the extent to which there is consensus about those norms. A comprehensive assessment would require a large number of items. A briefer, but more subjective, method would be to ask questions such as the following, although some refinement of these items may be needed:

- Do most people in your community share your sense of what is right and wrong, appropriate or inappropriate in behaviour?
- Do most people in your community have similar customs and ways of life to you?
- Do these similarities in customs and ways of thinking help you to cooperate with others in your community?

The shared norms of language are especially significant. The National Population and Housing Census gathers data about languages spoken and people's assessment of their ability to speak English.

A shared sense of purpose might be measured by the extent to which people are actively working on a common issue. One might measure the numbers who are active in working on the misuse of drugs, for example, or whatever the issue might be within a particular community. This would involve identifying the various ways in which the issue is being addressed and calculating the numbers of people in the community addressing the problem. On the other hand, community concerns are not necessarily exclusive of each other. The good of the community will often be served as people work on different community issues.

A questionnaire to individuals in a community might ask about:

- challenges for the community;
- the actions being undertaken to meet the challenges;
- the extent to which there is a shared sense of purpose and vision; and
- whether people might cooperate more in acting in relation to the challenge.

Combined scores on these items might indicate the levels of shared concerns, purpose and vision, and the levels of proactivity.

Indicator: Equal opportunity and tolerance of diversity

Definition

An attitudinal quality that is important in community is tolerance of diversity. Tolerance involves respect for those who have different ways of life, different norms and habits from oneself. It does not necessarily mean agreeing with such people, but means that the differences are not seen as a barrier to cooperation.

Applicability

Some communities have a much greater diversity of composition than others. Where the diversity is greater, the issue of tolerance becomes more important. There is a particular strength in non-homogeneous communities that have a high degree of tolerance.

Rationale for inclusion

There has been considerable debate on whether heterogeneous or homogeneous organisations have greatest social strength. Some studies have suggested that high levels of heterogeneous associations related positively and consistently with higher levels of household economic welfare. However, other studies have indicated that neighbourhoods with higher levels of homogeneity are more likely to have more effective neighbourhood associations. Krishna and Shrader (1999, p. 5) report that Dietlind Stolle has argued that in homogeneous cultures, groups with high diversity produce higher levels of social capital while in heterogeneous cultures, groups with greater homogeneity do.

Part of the problem lies in the fact that many communities produce high levels of cooperation by defining themselves over against other communities. Some religious groups, for example, find strength in the belief that their members are 'right' or 'saved' while those who are not members of the group are not 'right' or are not 'saved'. In more general terms, some groups produce great inner strength by being exclusive. A geographical community may find strength by thinking of itself as special in some way, as having some unique historical or geographical characteristics that set it apart from other communities. A geographical community may find strength as it considers itself better than other communities through winning sporting competitions.

Others have argued that exclusivism is, by definition, a sign of weakness. A community which excludes the stranger, or which puts down other communities in its own attempt to find strength, cannot be considered strong. Eva Cox (1995, chapter 3). notes that social cohesion is often produced by evoking perceived threats from outsiders or minorities. She argues that that sort of social cohesion ultimately leads to distrust and even intercommunal violence. Social cohesion involving exclusion ultimately breaks down. 'True' social cohesion must be participatory and inclusive. Thus, tolerance of diversity is a necessary part of social strength.

Cox and Caldwell (2000, p. 59) conclude that the characteristics which identify social capital include respect for each other's values and differences and ensuring that internal cohesion is not affected by the exclusion and demonisation of 'others'.

Whether Cox is empirically correct that exclusivism always breaks down, and whether it is possible for stronger associations to be formed in homogeneous communities, it would seem that some level of inclusivism, of openness to strangers, of tolerance of diversity is important for the moral dimension of community strength. This is particularly true in a society that is committed to multiculturalism.

As indicated in Part 2 of this document, all communities have to deal with other communities. The density of 'ties' contributes substantially to long term community strength. It opens communities to a greater variety of resources, weakening the propensity to social exclusion and to conflict.

While a small community may be strong in its ability to meet certain challenges, if its strength is not the kind that enables it to cope with the stranger or with multiculturalism, then it is not the sort of strength that we wish to uphold as a model.

Issues in the selection of indicators

Onyx and Bullen (1997) deal directly with the issue of multiculturalism and personal difference by asking the questions:

- Do you think that multiculturalism makes life in your area better?
- Do you enjoy living among people of different life styles?

The Australian Community Survey (1998) contained a similar question in which respondents were asked to indicate their level of agreement or disagreement with the statement:

> People who have come to Australia from overseas in the last 30 years have made our society much more interesting than it otherwise would have been.

It was found that there was a positive correlation between responses to this statement and levels of trust, particularly in 'all Australians' as distinct from trust in local people (Hughes et al. 2000, p. 232).

The study of Trust and Citizen Engagement in Metropolitan Philadelphia (Pew Research Center 1997) approaches the issue a little differently by asking people how easy they find it to trust people who are different from them in age, gender, or race.

Krishna and Shrader (1999) approach it from the point of view of exclusion rather than asking specific questions about the tolerance of diversity. They ask whether differences between people of different educational levels, wealth, social status, gender, age, length of residence, political party affiliations, religious beliefs or ethnic background cause divisions to occur in the community. They then move to questions about how problems caused by such differences are solved.

Somewhat similarly, the Scottish Community Development Centre (2000a) identifies the following as issues to be explored by observation, interviews and documentary analysis:

- Is action in the community based on principles of social justice and equal opportunity for all?

- Do policies, programs and social practices consider everybody's needs?
- Is the implementation of these policies, programs and practices monitored, and how is the evidence used?
- Are the particular needs of women, disabled people, ethnic, cultural and religious groups recognised and respected?
- Do minority group members feel accepted and valued?
- Do they feel that they can express their culture and identity?

In 1998, the Office of Multicultural Affairs of the Department of Prime Minister and Cabinet commissioned a survey under the title *Issues in Multicultural Australia*. This survey asked, with reference to a list of about 40 different categories of people, 'How close are you prepared to be with the following social groups … ?' Groups were defined by ethnicity or religion, such as British people, German people, Turkish people, Buddhist people, Muslim people, or Catholic people.

Response categories for each item in the list were:

- welcome as family
- welcome as close friend
- have as neighbour
- welcome as workmate
- allow as Australian citizen
- have as visitor only
- keep out of Australia.

Responses to such questions are susceptible to 'social desirability' factors, although it might be countered that these questions are trying to measure what people consider 'socially desirable'. If it were possible to go further in terms of how people actually treat others who are different from themselves in terms of race, religion, personality or sexual preference, this would provide a much stronger picture. From a community perspective, it may be appropriate to gather information about cases of religious, racial or sexual vilification as providing a very blunt indicator of the existence of the worst forms of intolerance.

The Institute for Community Collaborative Studies at the State University of California, Monterey Bay (Institute for Community Collaborative Studies 2000), together with the California Department of Community Services and Development, has created a Community Scaling Tool for use in needs assessment, program development and evaluation. One dimension of this tool deals with equity. On this dimension, the definitions given in Table 4 are used to assess communities.

Table 4: Community scaling tool: equity

	Threshold	Equity scale
5.	Thriving	The community understands the strengths inherent in diversity, celebrates **differences** and, therefore, is committed to the development and maintenance of a healthy socioeconomic and demographic mix. The appreciation of diversity has led to establishment **of equal treatment and opportunity** as the prevailing norms in both economic and social transactions in the community. All cultures and ethnic groups are working together for the common good.
4.	Safe	Knowledge and understanding of culture and customs of various groups represented in the community's population are common throughout the community. That knowledge has bred an understanding that differing customs and values can coexist and a sensitivity to and appropriate accommodation of those varied customs and values. **Affirmation** of the rights and the values of others, despite differences, is the norm.
3.	Stable	Members of the community are generally **aware** of differences among the populations present in the community. An atmosphere of **tolerance** prevails with little or no inter-group conflict. There is a growing awareness of the importance of understanding and community among diverse populations.
2.	Vulnerable	Diverse populations are generally isolated from one another and are **uninformed** regarding the customs, values, history and contributions of the other populations residing in the community. There is a general sense of **complacency** regarding lack of interaction and communication among various groups. Lack of understanding and consequent insensitivity are commonplace.
1.	In crisis	**Fear and conflict** characterize interactions among diverse populations. Various populations are consistently working at cross-purpose. Open hostility is common.

Source: Institute for Community Collaborative Studies 2000

Thus, whilst including reference to tolerance of diversity, the descriptions in Table 4 put this issue into a broader framework of social equity or social inclusion.

Conclusions

There are both negative and positive sides to the tolerance of diversity. Ideally both sides should be considered in the choice of indicators. On the positive side, useful indicators include acceptance of multiculturalism, and, more particularly, acceptance of people who are different. This involves the measuring of attitudes, but may also involve looking at whether community structures such as decision-making procedures are open and inclusive.

On the negative side, it is important to look at the extent to which certain groups in the community are not accepted or are actually excluded from community participation, from leadership, decision-making and participation in benefits from community activities. Again, this may occur because of the explicit or implicit ideas and ways of working of the people in the community. Or it may occur because of characteristics in the structures of organisations.

Indicator: Sense of community

Definition

In a seminal publication, Saran (1974) defined *sense of community* as 'the perception of similarity to others, an acknowledged interdependence with others, a willingness to maintain this interdependence by giving to or doing for others what one expects from them, the feeling that one is part of a larger dependable and stable structure' (Saran 1974, p. 157).

In another influential publication, McMillan and Chavis contended that sense of community is composed of four elements:

- membership: 'the feeling of belonging or of sharing a sense of personal relatedness';
- influence: perception of a two-way relationship whereby the community is able to influence its members and members are able to influence the community;
- integration and fulfilment of needs: a perception that members' needs are being met through cooperative behaviour or exchange relationships within the community;
- shared emotional connection: 'the commitment and belief that members have shared and will share history, common places, time together, and similar experiences' (McMillan & Chavis 1986).

More recently, McMillan has reformulated these four elements, defining sense of community as 'a **spirit** of belonging together, a feeling that there is an authority structure that can be **trusted**, and awareness that **trade** and mutual benefit come from being together, and a spirit that comes from shared experiences that are preserved as *art*'. The terms **trade** and **art** here are used both metaphorically and literally (McMillan 1996, p. 315).

Royal and Rossi have identified ten elements in sense of community: shared values, shared vision, shared sense of purpose, caring, trust, teamwork, incorporation of diversity, communication, participation, and respect/recognition (Royal and Rossi 1996).

Within the sub-discipline of community psychology, the literature on sense of community has for the most part developed independently of the sociological literature on social capital. There is nevertheless a substantial degree of overlap between these two concepts. The extent of the overlap obviously depends on the definitions adopted in each particular case.

Applicability

Within community psychology, the concept of sense of community was initially formulated with particular reference to neighbourhoods. It has also been applied in other settings such as workplaces and schools. In principle, it could be applied to any type of community.

Rationale for inclusion

The rationale for inclusion of indicators of sense of community is essentially the same as the rationale for the inclusion of the various elements of social capital.

Issues in the selection of indicators

Various instruments have been developed to measure sense of community. One of the earliest attempts was that of Glynn. His survey instrument has 60 Likert-type items beginning with the phrase 'In an ideal community …' and another 60 similarly worded items about conditions in the respondent's own community. Here, our focus is on the items about the respondent's own community (Glynn 1981).

Glynn's 60-item scale has a high degree of internal reliability, face validity and convergent validity as measured by various statistical indices. Factor analysis reveals that the scale taps six dimensions: 'objective evaluation of community structure', 'supportive relationship in the community', 'similarity and relationship patterns of community residents', 'individual involvement in the community', 'quality of community environment', and 'community security' (Glynn 1977, quoted in Nasar and Julian 1995).

Nasar and Julian (1995) contend that from a professional planner's point of view Glynn's scale has two shortcomings:

- with 60 items, it is too costly to use; and
- it deals with community at a scale wider than neighbourhood.

From other perspectives, the latter point might not be judged to be problematic, though it does highlight the need to specify what particular community one is speaking of.

Doolittle and Macdonald (1978) devised a 26-item scale to measure the sense of community in a metropolitan neighbourhood. Factor analysis yielded six factors: 'supportive climate', 'family life cycle', 'safety', 'informal interaction', 'neighbourly interaction', and 'localism'.

The most widely used and broadly validated scale is the Sense of Community Index (SCI) developed by Chavis et al. (1986). The long version of this index (SCI–L) contains a total of 23 open- and closed-ended items to measure the four elements of sense of community identified by McMillan and Chavis (1986). A shorter version (SCI) consists of 12 True/False items (Perkins et al. 1990). In its initial use, the SCI focused on neighbourhood blocks in urban areas such as New York City (Chavis et al. 1986). The items were:

1. I think my block is a good place for me to live.
2. People on this block do not share the same values.
3. My neighbours and I want the same thing from this block.
4. I can recognise most of the people who live on my block.
5. I feel at home on this block.
6. Very few of my neighbours know me.
7. I care about what my neighbours think of my actions.
8. I have no influence over what this block is like.

9. If there is a problem on this block, people who live here get it solved.
10. It is very important to me to live on this block.
11. People on this block generally don't get along with one another.
12. I expect to live on this block for a long time.

This scale has also been adapted for use in other social settings. For example, in workplaces, the first item becomes 'I think my workplace is a good place for me to work', and 'neighbours' becomes 'workmates' (Chipuer and Pretty 1999). Various studies have found that the scale as a whole has a relatively high level of internal consistency although the sub-scale reliabilities for the four dimensions of sense of community are generally well below acceptable levels (Chipuer and Pretty 1999).

Davidson and Cotter (1986) have developed the following scale to measure sense of community within the sphere of city:

1. When I need to be alone, I can be.
2. It is hard to make friends and meet people in this city.
3. The people in this city are polite and well-mannered.
4. I like the house (dwelling unit) in which I live.
5. I like the neighbourhood in which I live.
6. I feel safe here.
7. I do not like my neighbours.
8. This city gives me an opportunity to do a lot of different things.
9. This is a pretty city.
10. I feel I can contribute to city politics if I want to.
11. It would take a lot for me to move away from this city.
12. It is hard to get around in this city.
13. I would say that I am involved in a lot of different activities here.
14. If I need help, this city has many excellent services available to meet my needs.
15. There are good opportunities here for me to practice my religion in this city.
16. When I travel I am proud to tell others where I live.
17. I feel like I belong here.

The response categories for each item are: strongly agree, agree, disagree, strongly disagree. Items 2, 7 and 12 are reverse-scored.

This scale incorporates items relating to affiliation, control, safety, privacy, self-actualisation, aesthetic satisfaction and religious freedom. Some items focus on home and immediate neighbourhood, some on specific institutions, and some on the city as a whole. Notwithstanding this, studies in two cities have found the scale to have a high degree of internal reliability. The scale was found to be basically unidimensional, measuring one general factor of the sense of belonging. It has since been used by Davidson and Cotter in other settings, including smaller towns (the word 'city' being changed to 'town').

Davidson and Cotter (1993) have also developed a short version of their scale, using items 5, 8, 11, 16 and 17. This shorter version has proven to be a reasonable approximation of the full scale. The short version could be fairly readily adapted for use in rural communities as well as towns and cities.

Buckner (1988) created a scale to measure three dimensions of community: attraction to neighbouring, degree of neighbouring, and psychological sense of community. From factor analysis of his results, he concluded that the scale was unidimensional, measuring neighbourhood cohesion.

Bachrach and Zautra (1985) developed a Sense of Community Scale with the following seven items:

1. To what extent do you feel 'at home' in this community?
2. How satisfied are you with living in this community?
3. To what extent do you feel that you are an important part of this community?
4. How much do you agree with the values and beliefs of your neighbours?
5. To what degree do you feel that you belong in this community?
6. How interested are you to know what goes on in the community?
7. Suppose that for some reason you had to move away from here. How sorry would you be to leave?

Although Bachrach and Zautra's scale does not appear to have been widely used, Hughey et al. (1999) found a strong positive correlation between scores on that scale and scores on the Sense of Community Index developed by Chavis et al. (1986).

Starting with Glynn's (1981) 60-item scale, Nasar and Julian (1995) have developed an 11-item scale and a 15-item scale. These scales differ from Glynn's in the following ways:

- the word 'community' is changed to 'neighbourhood';
- Glynn's forced-choice format for responses is expanded to five categories: strongly agree, agree, not sure, disagree, strongly disagree; and
- some items are reversed in order to reduce response set.

Items in the scale are listed in Table 5.

Table 5: Neighbourhood sense of community scale (11- and 15-item versions)

	Number of items in scale	
Item	**11**	**15**
I am quite similar to most people who live here.	x	x
If I feel like talking, I can generally find someone in this neighbourhood to talk to right away	x	x
I **don't** care whether this neighbourhood does well.*	x	x
The police in this neighbourhood are generally friendly.	x	x
People here know they can get help from others in the neighbourhood if they are in trouble	x	x
My friends in this neighbourhood are part of my everyday activities.	x	x
If I am upset about something personal, there is NO ONE in this neighbourhood to whom I can turn.*	x	x
I have **no** friends in this neighbourhood on whom I can depend.*	x	x
If there were a serious problem in this neighbourhood, the people here could get together and solve it.	x	x
If someone does something good for this neighbourhood, that makes me feel good.	x	x
If I had an emergency, even people I do not know in this neighbourhood would be willing to help.	x	x
What is good for this neighbourhood is good for me.		x
Being a member of this neighbourhood is like being a member of a group of friends.		x
We have neighbourhood leaders here that you can trust.		x
There are people in this neighbourhood other than my family who really care about me.		x

* Reverse scoring is used for asterisked items
Source: Glynn 1981

Statistical analyses of responses to these shorter versions of the scale indicate that they have a high degree of internal consistency. The short scales capture more aspects of sense of community than does Buckner's (1988) measure of social cohesion.

Conclusion

Although the notion of social capital is broader than the notion of sense of community, by most definitions the latter is a component of the former. If the concept of sense of community is to be used in measuring community strength, it is necessary to specify what particular community one is referring to. While this point might seem obvious, the issue is more acute in the case of sense of community than in the case of some other aspects of social capital or community

strength. One might, for example, find that norms of reciprocity are widely held throughout communities defined in various ways. To that extent one can speak in a fairly generalised way about community strength.

But sense of community may vary depending upon the particular level of aggregation being considered. Thus, one could have a strong sense of community at a neighbourhood level but not necessarily at the level of a large city. Conversely, one could have a strong sense of community at a town or city level, but not necessarily at a neighbourhood level (perhaps because the main networks in which one is involved are not defined in terms of neighbourhood).

Indicator: Community self-help/self-reliance

Definition

This indicator deals with the extent to which a community is reliant upon its own resources rather than being dependent on externally provided resources. This applies to all types of resources: natural, financial, infrastructural, human, institutional and social. Self-reliance does not necessarily mean total independence. Rather it means that a community has the resources either to use for its own needs or that it can trade with other communities to meet those needs. Thus, in speaking of self-reliance, we do not mean protectionism.

By definition, the less a community is dependent on externally provided resources, the more self-reliant it is. Apart from having its own resources, there are several processes through which self-reliance becomes evident:

- A self-reliant community is able to develop solutions which are appropriate for its own specific local needs.
- A self-reliant community is proactive in addressing issues and challenges.
- A self-reliant community is aware of its limitations and knows when to seek extra help.

Applicability

This indicator is applicable to all types of communities.

Rationale for inclusion

Self-reliance, rather than dependence on externally provided resources such as welfare payments, helps give a group control of its own destiny. The sense of self-control has been found to be of great importance in some case studies of the strength and vitality of communities, such as indigenous communities (Trudgen 2000). In a community that is self-reliant, the members of the community are more likely to be proactive in dealing with issues and challenges, partly because they see themselves as responsible for their own destinies, but also because they believe that their actions can make a difference to the future.

If a community takes the initiative in addressing challenges internally, it is more likely to find solutions that are appropriate to its particular circumstances and solutions which are acceptable to the members of the community. Even where a community is a recipient of financial resources or other aid from outside the community, the long-term aim of this assistance should be to empower the community in such a way that the community eventually becomes as self-reliant as possible.

Issues in the selection of indicators

Self-reliance can be measured at the level of the individual and at the level of groups or communities. By definition, the more that individuals are self-reliant, the less they will be dependent on others. Other things being equal, the more self-reliant the individual the greater the potential for that individual to help others who may have fewer resources. The long-term objective of that help should be to enable the recipient to become as self-reliant as possible. The same principle applies to groups and communities. A useful recent examination of these

issues is provided in the *Report of the Policy Action Team on Community Self-Help* (Home Office Active Community Unit 1999), from which some of the material presented below is derived.

Community self-help comes in a wide variety of forms. People's motivation for getting involved can range from pure self-interest at the one extreme to pure altruism at the other, with every combination in between. Most voluntary and community activity involves receiving as well as giving benefits. Forms of community self-help include the following:

1. *Self-help based around family, kinship and friendship networks, household and neighbours*
   Family, household and kinship links are often vital to the provision of care and support, particularly for the very young and the old and frail. In some cases, however, family and kinship networks are weak or non-existent, and informal caring and support must come from neighbours or friends if at all. This can take the form of shopping for a housebound neighbour or friend, looking after that person's children, babysitting, comforting someone who is bereaved, taking a meal to someone who is ill, or a myriad of other activities. Such action is often spontaneous and builds upon informal contact between the persons involved.

2. *Informal community action*
   Often what starts as neighbourly support can later take on a more collective form. This will still usually be quite informal—for example, a babysitting group, a car sharing scheme, parents walking a group of children to school in a 'crocodile', or a self-help group for bereaved parents. The members of the group generally have a common understanding (sometimes only implicit) about norms governing the way the group operates, but the group remains largely unstructured and unofficial.

   Community action at this level can also be seen in the many small-scale autonomous activities that involve members of a community in fun and recreation, and also in protests or responses to external threats. These are usually spontaneous and short-lived but may also act as a starting point for more organised community involvement.

3. *Formal community groups and activities*
   Some groups may decide to become more formal either because there is money involved that needs to be clearly accounted for or because they wish to take on commitments incompatible with a loose structure, such as hiring or leasing premises, organising an activity that requires official registration, or employing a paid worker.

4. *Community self-help with a mutual or economic basis*
   Sometimes groups or organisations will be established to meet the economic needs of community members. They may have many of the characteristics of businesses, though established on a mutual or cooperative basis. Such organisations could include credit unions, community cooperatives and local exchange trading schemes that enable people to barter their time and skills using non-monetary units of exchange.

5. *Activity based around shared interests*
   Some self-help activities are organised not primarily on the basis of locality but on the basis of a common need, interest or cause. Examples are groups or networks based on common characteristics such as religious preference, minority status, environmental concerns, or self-help groups for sufferers of a particular disease or disability, or for their carers.

6. *Activities of local governments, local businesses and other local organisations*
   Local councils, local businesses and other local organisations such as chambers of commerce or service clubs can contribute to communities' capacities for self-help, both by providing local employment (thus bolstering individuals' and households' capacities for self-help and for helping others where necessary) and by providing direct or indirect support for various community organisations and initiatives. One of the ways in which this can occur is through partnerships between organisations in the public, private, and third sectors.

The self-reliance of a community can be gauged by the extent to which a community is independent of external assistance. A community which, in the long-term, is dependent on business incentives from government, other government grants and forms of assistance, or welfare and other payments, is not self-reliant.

There are times when most communities need and can benefit from external assistance, such as when a community is becoming established, or when it suffers a major crisis. All Australian communities interact with each other, partly, but not wholly, through the processes of government. Over time, a strong community will 'pay its way', and the contribution it makes to the common good of the nation will be greater than the help that it receives.

This issue is a challenging one for many communities. For example, the self-reliance of some communities has been challenged by influxes of people with low levels of financial resources. Cheap housing in some rural areas has attracted people on pensions, for instance. Self-reliance may sometimes be difficult to achieve when communities are dealing with problems that have arisen elsewhere.

Because endowments of natural, economic, and human capital are unequally distributed between individuals and between communities, an assessment of self-reliance needs to be counterbalanced by considerations of equal opportunity, discussed elsewhere in this report. In other words, just as self-reliance and self-help are characteristics of strong communities, so too are efforts to achieve equality of opportunity—the principle of a 'fair go' for all.

Conclusion

Community self-reliance is evident in the community's capacity to develop local solutions to local problems. Put more generally, community self-reliance is the extent to which a community is reliant upon its own resources rather than being dependent on externally provided resources. Indicators for the various processes or structures that contribute to community self-reliance, listed above, are discussed in more detail elsewhere in this report. It is important that indicators

do not focus simply on the more easily observable and more formal structures contributing to community self-reliance; attention should also be given to the less formal and less observable processes, lest the importance of these be underestimated.

What is really important for community strength is the sense of control over the community's destiny. When that sense of control is taken away, or when the mechanisms for self-control are framed and ordered in inappropriate ways—as has happened in some indigenous communities—then the community becomes weak.

Section C. Structures that govern or enhance processes

Indicator: Leadership

Definition

By leadership we mean not only the activities of business executives, elected or appointed public officials, and officers of community organisations, but also the more diffused patterns of leadership whereby individuals or groups undertake initiatives that stimulate and facilitate the participation of others. Leadership, in other words, is not necessarily exercised only by those who occupy formally designated positions within a community. While a lack of leadership may weaken a community, not all forms of leadership will necessarily strengthen a community. Nor will one particular form of leadership necessarily be the most effective in all situations or all types of community.

One of the tasks of analysis and on-going research must be to identify what characteristics of leadership are most likely to contribute to the strength of particular types of community.

Applicability

This indicator is applicable to all types of communities. However, the optimal forms of leadership may vary to some extent for different types of community, such as rural compared to highly urbanised communities, large compared to small communities, and communities of choice compared to communities of requirement (Goldsmith 1998).

For example, some forms of leadership in large urban communities may require a capacity to use mass media effectively, whereas an ability to use mass media is generally less important in small rural communities. In the latter, good interpersonal relationships are usually more important. Furthermore, community leadership has somewhat different requirements from corporate leadership in that credibility has to be earned by results based on partnership, inclusion and the resolution of conflict through dialogue, rather than with the assistance of vertical lines of power and control (Garlick 1999).

Rationale for inclusion

At the Regional Summit held in Canberra in 1999, it was frequently said that the single most important factor distinguishing flourishing rural and regional communities from stagnating ones was leadership. Similarly, one of the major findings of a report on regional development in Australia was that the commitment, quality and energy of business and community leadership is a critical factor in determining the success of efforts to strengthen rural and regional economies (McKinsey & Co 1994). The McKinsey report (1994, p. 8) concluded: 'Given the task of rejuvenating a region and the choice of $50 million, or $2 million and 20 committed local leaders, we would choose the smaller amount of money and the committed leaders.' Likewise, in their study of four central Queensland towns, Sorensen and Epps (1996) highlighted the importance of community leadership for local economic development. Similar conclusions have been drawn in various overseas studies (for example, Heartland Center for Leadership Development 1992; Frank & Smith 1999b).

Leadership is important not only for community economic development but also for other aspects of community strength. Within communities and their constituent organisations and institutions, the following are some of the main ways in which individuals and groups can exercise leadership that contributes to community strength:

- serving as exemplars of personal integrity and socially responsible behaviour;
- articulating visionary but realistic goals for the community and strategies for their achievement;
- working to achieve a high level of community acceptance of, if not commitment to, those goals;
- contributing to processes of creativity;
- fostering attitudes and practices conducive to learning;
- encouraging the adoption of best practice in all fields of activity;
- engaging in strategic planning and action;
- responding quickly and positively to new opportunities;
- being willing to commit time, energy and other resources to well-conceived new ventures;
- endeavouring to identify, and where possible implement, local solutions to local problems;
- developing empathy and understanding of others, and being responsive to their needs;
- encouraging and facilitating collaboration and cooperation between individuals, between groups, between organisations, and between communities;
- actively encouraging community members to deal constructively with differences of opinion, work toward collaborative problem solving, and overcome destructive conflict;
- displaying resilience in the face of difficulties or discouragements; and
- engaging in on-going processes of identifying and developing leadership potential in all segments of the community, and providing opportunities for that leadership potential to be exercised.

While leadership typically involves activities in which others are also likely to be involved or which may have effects on others, Ralph Nader (quoted in Whiffen 2000, Module 11) provided food for thought when he said, 'I start with the premise that the function of leadership is to produce more leaders, not more followers.'

The notion of 'social entrepreneurship' has been used to refer to a particular style of leadership which is relevant to contemporary community life. In particular, social entrepreneurs play a positive role in processes of change. A report to the Department of Family and Community Services by Stayner et al. (2000, paragraph 3.9) notes the importance of social entrepreneurs in that, in several instances the report examined, the critical factor in the strength of a community was the way that the community was responding to forces for change. Social entrepreneurs

who are well respected by a community can assist the processes of change. J. Gregory Dees (1998) defines 'social entrepreneurs' as people who play the role of change agents in the social sector by:

1. adopting a mission to create and sustain social value (not just private value);
2. recognising and relentlessly pursuing new opportunities to serve that mission;
3. engaging in a process of continuous innovation, adaptation, and learning;
4. acting boldly without being limited by resources currently in hand; and
5. exhibiting a heightened sense of accountability to the constituencies served and for the outcomes created.

Issues in the selection of indicators

There is a huge literature on leadership. Much of this is based on studies of leadership within organisations, especially work organisations, or small groups. It was once fashionable to try to identify the inherent personal **traits** of successful leaders—traits such as intelligence, emotional stability, self-confidence and the like. Whilst there are still some advocates of this approach, most leadership theorists now focus on the behaviours of successful leaders and the ways in which these relate to the situations in which leaders are located.

Two dimensions of leadership behaviour have frequently been identified. The first deals with the extent to which leaders actively structure the tasks performed by themselves and others. On this dimension, an effective leader is one who takes a very active role in directing activities through planning, communicating information, scheduling, evaluating performance, and trying new ideas. This first dimension is thus **task-oriented**. The second dimension deals with the extent to which leaders take account of the **social and emotional needs** of others. On this dimension, an effective leader is one whose relationships with others are characterised by mutual trust, respect for their ideas, consideration of their feelings, and warm interpersonal dealings. These two dimensions have been measured using instruments such as the Halpin's Leader Behaviour Description Questionnaire (LBDQ) or Fleishman's Leadership Opinion Questionnaire (LOQ). From LBDQ data, (Halpin 1996) concluded that effective leadership tends most often to be associated with high performance on both dimensions. However, as most of Halpin's data came from work organisations, it should not be assumed that all of his conclusions necessarily apply elsewhere, especially in voluntary associations or in geographically defined communities.

Nevertheless, in so far as work organisations make up one element of communities, the effectiveness of leadership within those organisations is relevant to the assessment of community strength. Such assessment should also take account of **contingency** models of leadership, which hypothesise that situational variables moderate the relationship between leader traits or behaviours and organisational performance (Filley et al. 1976 and Bryman 1986).

Studies of power within communities represent a very different approach to the analysis of leadership. The primary focus is not so much on how leadership ought to be exercised in order to maximise its effectiveness, but rather on how power is actually exercised and the impact this has upon communities.

Three main methods have been used in studies of power and leadership within communities:

- **Reputational analysis**: this involves asking various members of the community to list people whom they consider to be most influential in community affairs, and then examining the extent to which the same persons are identified by others. This would give some indication of the extent to which leadership and power are thought to be concentrated or dispersed.
- **Positional analysis**: this involves an examination of the activities of persons occupying designated positions of leadership within the community, such as parliamentary representatives, local government councillors, CEOs of businesses, senior public servants, officers within community organisations, and the like.
- **Decision or issue analysis**: this involves making a detailed analysis of various decisions and actions taken within the community on particular issues; the object of this analysis is to determine which persons or groups have succeeded in shaping decisions and actions, and how these outcomes have been achieved.

Each of these approaches has merits and limitations. Reputational analysis can help in the identification of leaders or power holders who might not necessarily occupy designated positions, but it fails to take sufficient account of the fact that reputation and reality do not always correspond. Positional analysis focuses on the quality of leadership in designated positions but gives insufficient attention to forms of leadership exercised by other members of a community. Decision or issue analysis can potentially provide a fuller picture than either of the previous two methods but it generally requires intensive data gathering over a reasonably long period of time.

Turning to more specific indicators relating to leadership, the Aspen Institute (1996) emphasises the value of a diverse and expanding leadership base in building community capacity. The Institute identifies four categories of leaders: elected leaders, appointed leaders, hired leaders and volunteer leaders. Both for community leaders as a whole and for each of these sub-types, the Institute proposes that the diversity of leadership can be assessed by calculating the percentage breakdown of leaders by the following diversity categories.

- race/ethnicity
- religion
- age
- length of residency

- neighbourhood
- gender.

The Aspen Institute has also developed an extensive list of indicators relating the processes of identifying and developing leadership potential in all sections of the community, and on the opportunities provided for that potential to be exercised, especially in elected, appointed, hired or volunteer positions.

Smith and Frank (1999) suggest that a self-assessment inventory can be used by individuals and groups to gauge the extent to which they have the attitudes, knowledge and skills needed for community development. This inventory covers the following areas:

- Respect for the individual, group and community
- Strong sense of responsibility and commitment
- Empathy (understanding where others are coming from)
- Openness to look at alternate solutions, new opportunities
- Patience, perseverance and endurance
- Creativity and innovation
- Willingness to participate without always having to lead
- Trust in others
- Self-confidence
- Knowledge of the community
- Knowledge of social, economic and environmental development
- Knowledge of partnerships
- Knowledge of group processes and dynamics
- Knowledge of team-building
- Knowledge of problem-solving and decision-making processes
- Knowledge of project management
- Knowledge of financial management and fund-raising
- Knowledge of training and skill development methods and opportunities
- Knowledge of organisation development and design
- Communication skills
- Facilitation skills
- Team-building skills

- Research, planning and evaluation skills
- Problem-solving and conflict-resolution skills
- Organisational design and development skills

If desired, some items from the above list could be used to obtain information from community members about the capabilities and performance of designated (and other) leaders.

Similarly, it would be possible to develop indicators for each of the leadership processes listed above under 'Rationale for inclusion'.

From the perspective of community strength, an important issue is whether people have confidence in designated leaders and confidence in the system through which leaders are chosen (Krishna & Shrader 1999). In democratic communities, confidence is assessed at regular intervals through the ballot-box. However, it may be appropriate to ask people to rate the effectiveness of the community's leadership, as Krishna and Shrader (1999) do in their *Social Capital Assessment Tool*. Further questions could be asked of members of a community about whether their leaders are effective in:

- consulting with the members of the community;
- developing vision for the community;
- motivating people to cooperative action for the sake of the community; and
- creatively responding to the forces for change affecting the community.

This last item is an attempt to measure the extent to which people feel that their leaders are effective 'social entrepreneurs'.

Levels of confidence will also have a lot to do with whether members of the community feel that the leaders are acting in the interests of the whole community, or simply in the interests of sections of the community, or even on behalf of external interests. The capabilities of leaders and the levels of trust that people have in them are of particular importance to community strength. Leadership that is effective and is seen to be working in the interests of the community as a whole may help to motivate a community to take constructive action, to make the best use of available resources and to resolve important issues. The other motivator which has often been used through history is that of fear, but it is a motivator which is not appropriate to democratic societies. Thus, an appropriate question about leadership could be:

> To what extent do you believe the leaders of your community act in the interests of whole community rather than sectional interests?

A further question could be asked about people's confidence in the processes of the selection of leaders:

> To what extent do the processes of selecting leaders ensure that the best leaders for your community are selected?

Conclusion

Although attempts have been made to identify inherent personal traits of successful leaders, the contribution of leadership to community strength is more usefully analysed in terms of **processes** or patterns of **behaviour** and of ways in which these relate to the particular **situations** confronting individuals, groups and communities.

Whilst formally designated leaders can contribute to community strength or perhaps fail to do so, opportunities for leadership are not necessarily confined to formally designated leaders. In general, the more widely the members of the community contribute to the positive processes listed above, the stronger the community is likely to be. Without neglecting the influence of formally designated leaders, indicators of leadership should assess the degree to which such positive processes are evident. Levels of people's confidence in leaders are also important.

Indicator: Mechanisms for managing community conflict

Definition

Disagreements are inevitable in a community in which people are interested in what is happening. Disagreements can be a sign of the vitality of a community, of the development of ideas and processes. However, mechanisms need to be in place to manage disagreement so that it does not develop into disruptive or destructive conflict. This indicator, then, deals with the presence of mechanisms to manage community conflict, the willingness to manage conflicts, and the applicability of those mechanisms.

Conflicts may emerge over leadership or over the ways in which people are dealing with issues. Sometimes conflicts occur over interests, short-term and long-term. The presence of deep-seated conflict in a community may be a sign of the weakness of that community. Whether a community is engaged successfully in managing the conflict is more important than the initial presence of conflict.

Applicability

All types of communities, both geographical and communities of interest, may experience conflict that requires appropriate management. The mechanisms for managing conflict may vary considerably from one type of community to another.

Rationale for inclusion

The ability to manage conflicts is important for the strength of community in a variety of ways. A community in conflict is generally inhibited in its ability to conduct the business of the community. While conflict may arouse some passion in a community, that passion is divided. Only as the conflict is managed can there be united and cooperative action for the good of the community.

Conflicts can be managed in various ways. It is important that conflicts are generally managed in ways that the members of the community feel are just and fair. Coercion in solving conflicts is generally seen in the Australian community as a method of last resort. However, people vary considerably in the extent to which they see coercion as appropriate in the solving of problems. Some people prefer more authoritarian leadership than do others.

Issues in the selection of indicators

Few surveys on social capital have dealt with the resolution of conflict. The survey of *Trust and Citizen Engagement in Metropolitan Philadelphia* (Pew Research Center 1997) does not deal with it.

Onyx and Bullen (1997) ask two questions in relation to this area:

1. If you disagreed with what everyone else agreed on, would you feel free to speak out?

2. If you have a dispute with your neighbours (eg over fences or dogs) are you willing to seek mediation?

Neither of these questions deals adequately with the presence of means of managing conflict. The first is an indicator of the sense of freedom of speech in the face of conflict. The second measures people's willingness to use a particular means for overcoming disputes.

Krishna and Shrader (1999) do have a major section on conflict and its resolution in their Social Capital Assessment Tool. Several questions measure people's attitudes to the relative amount of peace or conflict in the community. Only the final question in the set deals with mechanisms for resolving conflict; but it fails to ask how adequate these mechanisms are. Indeed, the question virtually forces the respondent to choose the category of person(s) most likely to manage the conflict rather than rating the effectiveness of various officials or organisations in dealing with conflict.

1. In your opinion, is this village/neighbourhood generally peaceful or conflictive?

   Peaceful

   Conflictive

   Don't know/not sure

   No answer

2. Compared with other villages/neighbourhoods, is there more or less conflict in this village/neighbourhood?

   More

   The same

   Less

   Don't know/not sure

   No answer

3. Are the relationships among people in this village/neighbourhood generally harmonious or disagreeable?

   Harmonious

   Disagreeable

   Don't know/not sure

   No answer

4. Compared with other villages/neighbourhoods, are the relationships among people in this village/neighbourhood more harmonious, the same or less harmonious than other villages/neighbourhoods?

   More harmonious

   The same

Less harmonious

Don't know/not sure

No answer

5. Suppose two people in this village/neighbourhood had a fairly serious dispute with each other. Who do you think would help manage the dispute?

No one; people work it out between themselves

Family/household members

Neighbours

Community leaders

Religious leaders

Judicial leaders

Other:

Don't know/Not sure

No answer

In contemporary Australian society it would be more helpful to ask people about their levels of confidence in the various mechanisms for resolving conflict.

How much confidence do you have in the following mechanisms for managing conflicts which may emerge in your community?

Local council

Police

Legal system

Ombudsman

Democratic processes

Different questions would need to be asked about communities of interest

- In the groups, associations or organisations in which you are involved, are there means of resolving conflicts if they occur?
- How effective are these means of managing conflicts?
- How high is the degree of harmony in the groups, associations or organisations in which you are involved?

The problem with these questions is that the responses may be quite different for the various groups, associations and organisations in which people are involved. Ideally, one would ask about each group separately.

Conclusion

Community strength is shown in a community's ability to manage conflicts in ways people feel are fair and just, which unite people rather than dividing them. Usually coercive means of resolution will divide rather than unite.

At the base of community strength is democracy, whereby leaders stand accountable to the members of a community. However, there are also various other means whereby community conflicts may be managed. In measuring community strength, it is important to ask about the level of conflict and how satisfactory are the means available to the community for managing conflict.

3.5 Indicators related to outcomes

Definition

This section will consider the desired outcomes that might be expected from increasing community strength, and some issues in the measurement of these outcomes. These outcomes may be considered from two perspectives, namely in terms of maintaining and enhancing:

- the resources and processes which contribute to community strength; and
- wellbeing at individual and collective levels.

The first relates to the maintenance and enhancement of:

1. natural capital—the features of the natural environment to which a community relates;
2. produced economic capital—the economic life of the community, employment and income levels, and the development of infrastructure;
3. human capital—education and skill levels of the people in the community, and their capacity to contribute to the life of the community; and
4. social and institutional capital—social and civic participation, levels of trust and reciprocity, sense of community and self-reliance.

Thus, it refers to the 'feedback loops' that are part of the processes of strengthening community, strengthening the resources through which further enhancement of community life can occur.

Community strength was defined in Part 1 as 'the extent to which resources and processes within a community maintain and enhance both individual and collective wellbeing in ways consistent with the principles of equity, comprehensiveness, participation, self-reliance and social responsibility'.

While principles of equity and participation imply that individuals and communities should have a part in determining what constitutes their wellbeing, a number of aspects of wellbeing can be identified. Part 1 noted that there were seven primary aspects of wellbeing which had been shown to have a significant relationship with satisfaction with life overall. These are:

1. material wellbeing
2. health
3. productivity
4. safety
5. place in community
6. emotional wellbeing
7. intimacy.

To these might be added issues of spirituality, meaning or purpose, and others to do with wisdom, beauty, creativity and the enjoyment of life.

Applicability

An examination of outcomes is relevant to the assessment of strength in all types of community. However, for communities that are constituted by a specific task, function or interest, attention is likely to be focused primarily on desired outcomes relating to those tasks, functions or interests. In other words, people may be involved in different communities in order to achieve the outcomes they desire. They may not expect any one community to fulfil all desired outcomes.

That also applies to specific local communities. People do not expect every hamlet to have a fully-equipped hospital although they might expect reasonable access to one. Nevertheless, all geographical communities should be both enhancing those resources that strengthen community life and seeking outcomes in all the areas of wellbeing listed above.

Rationale for inclusion

Outcomes are included as part of the definition of community strength. The strength of a community is seen not only in the resources and processes within that community, but also in the attainment of outcomes of individual and collective wellbeing.

However, the links between resources, processes and particular outcomes are not always evident. The fact that resources exist does not mean that resources are being effectively used to maintain and enhance both individual and collective wellbeing. Resources may be lying idle or being used for other purposes. It is quite possible for there to be adequate resources in one area of the community's life, and yet, because of inadequacies in leadership, for example, those resources are not used effectively. Therefore, the examination of resources is not sufficient for the assessment of community strength.

Neither resources nor processes guarantee that desired outcomes are being achieved. For example, the fact that a school is educating children does not guarantee that 'educated people' will be the final result. Or the fact that there is a police force does not necessarily ensure that people feel safe and that levels of crime are low.

At the same time, outcomes alone are not adequate for measuring community strength. Although it is common to focus on the achievement of outcomes such as crime reduction or decreased unemployment, outcomes may result from influences outside the community. For example, the fact that a business decides to establish a new plant in a particular location may not be directly due to the strength of the community in that locality. In other words, outcomes cannot be relied upon exclusively to indicate the strength of community.

Ideally, the assessment of community strength should take account of resources, processes and outcomes. Examining outcomes may be particularly useful for scanning communities and identifying communities weak in particular ways. If communities are achieving a wide range of

desirable outcomes, then one may assume that there is some strength there. However, in order to pin-point the problems in a weaker community, examination of resources and processes may be required.

Further, changes in the levels of outcomes may provide a way of comparing a community at two different times. Changes in levels of outcomes may indicate that overall levels of strength are increasing or decreasing. Such comparisons would be particularly useful to determine whether a particular program has been effective. To determine **why** a program has or has not been effective, it may be helpful to examine resources and processes.

Issues in the selection of indicators

a. The maintenance and enhancement of resources contributing to community strength

In most instances, outcomes in the development of resources may be measured through changes in those indicators that measure the resources. In other words, the indicators which have been previously discussed in relation to the various resources and processes are relevant in terms of measuring outcomes. For example, changes that would indicate growth in produced economic capital include:

- employment levels;
- income levels;
- gross product or the Genuine Progress Indicator;
- measures of infrastructure and availability of services such as the Accessibility/Remoteness Index for Australia (ARIA); and
- proportions of the community owning their own homes.

Strengthening of human capital would be reflected in:

- higher proportions of the community achieving higher educational levels;
- higher literacy and numeracy levels;
- increasing proportions showing entrepreneurial and leadership skills; and
- better management of health and disability conditions.

Strengthening of social and institutional capital would be reflected in increases in:

- social and civic participation;
- supportive bonds through family, friends or neighbourhood;
- proportions reporting wider circles of acquaintances;
- trust and reciprocity;
- shared norms, visions and goals;

- tolerance of diversity;
- sense of community;
- proactivity in addressing community issues;
- confidence in institutions, government and community leadership;
- effective management of conflict; and
- self-reliance.

The detailed discussion of the relevant indicators is found in the specific sections dealing with the above topics.

b. Enhancement of individual and collective wellbeing

There are other outcomes, however, which are more appropriately considered in terms of the enhancement of individual and collective wellbeing. There are various issues to consider in the measurement of these.

At one level, wellbeing of individuals is appropriately assessed by asking people how satisfied they are with various aspects of their life. Such assessments may be considered 'measures of subjective wellbeing'. A simple survey, asking individuals how satisfied they are with these aspects of life has been used to do this (see Cummins et al. 1994):

1. How satisfied are you with the **things you own**?
2. How satisfied are you in your **health**?
3. How satisfied are you with what you **achieve in life**?
4. How satisfied are you in your **close relationships with family or friends**?
5. How satisfied are you in your **safety** in the community?
6. How satisfied are you in **doing things with people outside your home**?
7. How satisfied are you in **your own happiness**?
8. How satisfied are you in **your spiritual life**?

This survey relates to the areas of wellbeing that have a major impact on people's overall sense of wellbeing, namely:

- material wellbeing
- health
- productivity
- intimacy
- safety
- community

- emotional wellbeing
- spirituality.

The survey, developed by Robert Cummins, at Deakin University, Melbourne, has been shown to have a high level of validity, and the various items explain a large portion of the response to an overall question about how satisfied people feel about life. As noted in Part 1 of this report, some other areas of wellbeing could be considered such as wisdom, creativity and recreation.

However, while the responses may reflect the strength of community life to some extent, it has been noted that a major influence on the responses to these questions is personality. Extrovert people and people with low levels of neuroticism and of psychosis tend to respond more positively. There is also a significant homeostatic tendency in the ways people respond. Thus, when an event in life, such as a serious accident, detracts from the quality of life on a permanent basis, people return to reporting similar levels of subjective quality of life after just a few months.

There are many other lists of areas of wellbeing in the literature. While many cover somewhat similar areas, they use a variety of forms of categorisation. Some deal with a wider range of social indicators. For example, the integrated system of indicators of quality of life in Jacksonville, USA (Jacksonville Community Council 2000), includes nine major elements:

- education;
- economy—standard of living including individual and community economic wellbeing;
- natural environment—quality and quantity of water, air and visual aesthetics;
- social environment—racial harmony, family life, human services, philanthropy and volunteering;
- culture/recreation—supply and use of cultural, entertainment and sports events and leisure activities;
- health—fitness and health of residents;
- government/politics—participation in public affairs, and performance of leaders;
- mobility—opportunities for and convenience of travel; and
- public safety—perception of personal safety and quality of law enforcement.

While the Jacksonville list is useable, and well-suited to its situation, the categories used by Cummins have applicability to a wider variety of situations and reflect more general categories of wellbeing. On the other hand, they tend to be more individual in emphasis. As was argued in Part 1, assessment of collective wellbeing on each of Cummins' dimensions is also needed.

In terms of the attempt to measure the strength of community life, measures of objective criteria may be more helpful, and may certainly be more reliable in terms of indicators of change. Some useful measures may be:

- measures of proportions of a community falling below a basic standard or experiencing specific problems;
- unfulfilled needs or demands; or
- measures of totals and averages for individuals or collections of individuals.

1. Proportion of the community falling below basic standards or experiencing particular problems

These indicators generally pick up where there are extreme issues and often draw attention to where specific 'safety net' interventions are needed. They are a necessary part of ensuring that various basic standards of wellbeing are maintained in a community.

In the area of material wellbeing, a commonly used indicator is the proportion of people who have incomes below the poverty line. Discussion of what is the appropriate 'poverty line' and how it should be measured is beyond the scope of this report. Recognising that there are some disagreements here, there are also some widely accepted standards.

Other '**basic indicators**' of material wellbeing that might be used include:

- proportions of the community who are homeless;
- proportions of the community who reside in caravans or improvised dwellings (see Department of Family and Community Services 1999, although the report recognises that such data are not unambiguous, but may reflect personal choice rather than lack of choice); and
- proportions of households which are not connected with power or water supplies.

In relation to physical wellbeing and health, basic indicators include:

- levels of infant mortality;
- deaths and disabilities due to accidents;
- proportions of the community dying from particular causes, such as heart disease, or death from drugs (different diseases being indicative of different problems or weaknesses in community life);
- proportions of the community with particular levels of disability; and
- proportions of the community diagnosed with particular illnesses or conditions.

Again, much work has gone into the development of appropriate indicators which is beyond the province of this report to consider. It should, however, be noted that changes in the proportions of a community experiencing certain health problems may not be directly related to community strength. An epidemic may move through a strong community. Yet, many health issues have a community component.

In relation to **productivity**, basic indicators would include:

- proportions of the community unemployed and seeking work; and

- proportions of the community underemployed and seeking more work.

In relation to **safety**:

- proportions of the community experiencing crime—taking into account the various types of crime.

In relation to **emotional wellbeing and mental health**:

- suicide rates; and
- proportions of the community diagnosed with mental illnesses.

In relation to **intimate relationships**:

- proportions of the community experiencing divorce;
- proportions of the community experiencing separation from partners; and
- proportions of the community who are lone parents.

2. Indicators of unfulfilled needs or demands

Another set of indicators is based on expressions of need or concern, such as waiting lists for services. These indicators pick up unmet needs or desires, not just unmet basic conditions. For example, an indicator of demands in housing would include people who may have a home but who want something that more closely fulfils their desires.

In relation to **material wellbeing:**

- proportions of the community looking for housing; and
- proportions of the community actively seeking financial loans.

In relation to **health**:

- proportions of the community on waiting lists for medical treatment;
- proportions of the community on waiting lists for nursing home care; and
- proportions of the community seeking respite or other forms of health care.

In relation to **productivity**:

- proportions of the community searching for employment, including those who wish to change their employment; and
- proportions of the community seeking educational opportunities—that is, applying for courses, but not offered places.

In relation to **safety**:

- proportions of the community approaching police with concerns about crime or safety.

In relation to **emotional wellbeing**:

- proportions of the community experiencing prejudice, discrimination or vilification.

In relation to **intimate relationships**:

- proportions of the community involved in applications to the family courts for resolution of family conflict.

While these indicators would measure unmet demands, they have several weaknesses as indicators of community strength. They are dependent on a range of factors, apart from levels of demand, including the levels of service that are available. The levels of demand can change through publicity or changes in public awareness, apart from changes in the needs of people.

At the same time, levels of demand in any particular community may depend on the expectations of that community. For example, someone in a small town may not expect to find nursing home care or specialist medical help available within that town, but would expect to find it in a larger regional centre. In some cases, people will move to the community where they find the services that they want. Thus, elderly people may move out of smaller rural towns into larger regional centres to find the level of health care that they desire. On the other hand, some people on low incomes may move to small towns in which housing is cheap and readily available.

3. Measures of totals and averages for individuals or collections of individuals

Measures of average levels, the extent of deviation from the average and, in some cases, total levels may provide preferable ways of measuring the strength of communities. While the indicators listed above provide a way of determining how often basic standards or 'expressed needs' are not being met, they do not indicate whether the wellbeing of other members of the community is being enhanced or is in decline.

Assessment of the strength of a community must include attention to the 'outliers' and to specific needs, but should also take into account overall patterns of enhancement or decline. In relation to peoples' incomes, for example, it will be appropriate to look not only at the mean, but also at the variance, at the differences in income between the lowest 10 per cent of the population and the highest 10 per cent of the population. It is possible, for example, for the mean to be increased by large increases at the top while incomes or other aspects of living standard decline for those sectors of the community receiving the lowest incomes.

While this approach has much to commend it, a specific problem is that people may have quite different objectives and desires. One might suggest an 'optimum' level of wellbeing, for example in the form of owning one's four-bedroom home, having 38 hours of work per week and receiving pay for that work at a certain rate. But not everyone wishes to be employed that number of hours per week, or to own a large home. One might measure the value of homes in a community as a measure of the community's strength, but not everyone wants a larger home or sees that as a sign of 'community strength'. Not everyone feels that it is in the community's interests if the levels of income climb, especially if higher levels of income means less time for

activities apart from paid work. Consumption of energy may indicate a wealthier community, but ecological concerns indicate that a lowering of the consumption of energy may be a better indicator of community sustainability.

Thus, the following indicators might be used, but interpretation should proceed with caution.

In relation to **material wellbeing**:

- average income, and range of incomes. Gini coefficients are widely used to indicate the equality of income distribution (Department of Family and Community Services 1999, p. 38);
- average savings and range of savings;
- type and tenure of housing;
- proportions of community attached to water and power supplies; and

affordability of a home for a single family (but note that average private rental and average mortgage payments, social indicators often used, may indicate the age profile and other demographic characteristics of occupiers rather than the nature of community life) (Department of Family and Community Services 1999, p. 43).

In relation to **health**:

- life expectancy;
- disability-free life expectancy; and
- average number of days between visits to the doctor or in hospital.

In relation to **productivity**:

- proportion of the community employed in paid work, voluntary work or household work; and
- proportion of the community with particular levels of formal education, from basic literacy and numeracy to tertiary degrees.

In relation to **safety**:

- proportion of the community using public spaces and public transport; and
- numbers of days between industrial, road or other types of accidents.

In relation to **place in the community**:

- proportion of the community involved in community groups and voluntary organisations;
- proportion of the community participating in civic activities; and
- average amount of money given in philanthropic fund-raising appeals per person.

In relation to **emotional wellbeing**:

- proportion of the community reporting happiness and satisfaction with life.

In relation to **intimate relationships**:

- proportion of the community reporting happiness and satisfaction in relation to their intimate relationships.

In relation to **culture and recreation**:

- attendance at cultural performances and sporting events per 1000 people; and
- participants in sports activities per 1000 people.

In the various areas of wellbeing, 'more' is not necessarily 'better' in the minds of members of communities. Abraham Maslow (1954) suggested that there is a universal hierarchy of needs, with physiological needs at the most basic level in the hierarchy, followed progressively by needs for safety, belonging, esteem and self-actualisation. According to Maslow, an adequate level of satisfaction of a given need submerges it and activates the next higher need in the hierarchy. The universal character of this proposed hierarchy has been challenged. Yet, for most people, something of a hierarchy in needs works so that attention moves from one area of life to another.

The use of 'averages' in the areas described above could be used to track changes in a community. In many cases, the causes of changes, and whether those changes constitute a threat to strength of the community would need to examined using other information, including the levels of satisfaction the members of the community report in relation to the specific aspects of wellbeing.

The SEIFA (Socio-Economic Indicators for Areas) scales developed by the ABS provide an aggregated measure of socioeconomic level. The five scales are based on Census data and reflect factors such as income, formal educational level, unemployment, and occupation. Some scales have been designed to account more for rural factors and others more for urban factors. Because they include information on income and employment, they reflect some aspects of the material wellbeing of the people in the area. They do not reflect all areas of wealth, however, in as far as they include no direct measure of accumulated financial assets. Nor do they contain any measure of the availability of services (Department of Family and Community Services 1999, p. 65). They do not reflect other aspects of wellbeing such as health, safety, community participation, intimacy or emotional wellbeing. Thus, the SEIFA scales provide one indicator of the material wellbeing and human capital of a community. They have the advantage that they are available for geographical communities down to 'collectors' districts' of around 200 houses.

Many aspects of wellbeing vary independently of each other. For example, social participation is not necessarily lower among people with lower incomes. No one measure will be able to reflect the variety of aspects of wellbeing, and those aspects of wellbeing important to some may be less important to others. Any attempt to measure the wellbeing of a community should include measures of the various aspects of wellbeing.

While the various aspects of wellbeing should be considered independently of each other, it is also important to consider outcomes in a comprehensive way. It may be that outcomes have been achieved in one area of wellbeing at the expense of other areas. For example, low levels of unemployment might be achieved by reducing wages, leading to a general reduction in the standard of living. Lower crime might be achieved by increased coercion on the part of the police, in turn reducing freedom and trust. As outcomes are considered as a group, so wellbeing as a whole can be kept in focus.

Conclusions

Outcome indicators are useful for scanning communities and drawing attention to changing conditions or circumstances in which there are particular needs. They may also be used comparatively and can be used in all types of geographical community. However, these indicators do not necessarily indicate weakness in community resources and processes. They may indicate that there have been changes in external factors to which communities will need to adjust.

The 'basic' indicators of experiences of problems in one or other area of wellbeing are helpful, but are not sufficient to indicate either the full level of change occurring in wellbeing or the causes of the change. The indicators which measure 'average' levels of wellbeing from a positive perspective are also useful, but need careful interpretation in so far as the members of any particular community may not consider that 'more' necessarily means 'better'. 'Needs or demands' based indicators are also useful in drawing attention to unfulfilled demands in a community, but are subject to variation in the expectations of people. 'Satisfaction' indicators measure people's levels of satisfaction, but these reflect personality more than they reflect changes occurring in communities.

All types of outcome indicators have their advantages and disadvantages. Thus, one should not rely exclusively on any one type, but use a variety of indicators to counterbalance each other and to provide the fullest picture. It should also be recognised that changes in 'outcome indicators' are not necessarily indicative of changes in community strength. Any particular indicator may be affected by a variety of factors, such as changes in demographics and changes in external forces and conditions. Further investigation using other indicators of levels of resources and the adequacy of processes would be necessary to fill out the picture and to indicate whether, in fact, there have been changes in community strength.

4 Further general considerations in choosing and using indicators

Previous parts of this report have provided some commentary on the adequacy of particular indicators for assessing specific aspects of community strength and outcomes. Part 4 will deal with further general considerations in choosing a set of indicators from the menu of domains and items outlined in previous sections. The considerations outlined below should themselves be read as a set. Although some considerations such as validity and reliability are always important, others moderate one another.

4.1 Validity

Indicators should be measures of what they claim to measure. To achieve **face** validity, an indicator must be shown to be a logically appropriate measure. In this report, the validity of particular indicators has been considered primarily in terms of face validity. Because community strength is multi-faceted, no one indicator can adequately assess it. Further empirically grounded research may show that some elements of community strength are more important for the achievement of some particular outcomes than for others. In the on-going refinement of specific indicators, additional technical tests of validity can be applied both to individual indicators and to suites of indicators. These tests should examine how well the indicators perform in relation to the following criteria:

- **Predictive validity**: does the indicator enable the prediction of some other characteristic that it should theoretically be able to predict.
- **Convergent validity**: where there is more than one indicator for a particular aspect of community strength, are the conclusions drawn using one indicator similar to those drawn using another.
- **Discriminant validity**: where indicators are assessing variables that are theoretically unrelated, are the assessments actually unrelated.

Some of these tests have been applied to a few of the scales for measuring 'sense of community'. Most other indicators of social and institutional capital have not yet been subject to such rigorous testing.

4.2 Reliability

Indicators should be capable of measuring over a period of time and in different circumstances and producing results that are comparable over time and space. There are various means by which the reliability of an indicator can be judged:

- **Independent assessments**. The reliability of an indicator at a particular point in time can be partly assessed by comparing the results obtained when duly qualified but independent persons apply the same indicator within the same situation.

- **Test/retest procedures**. If an indicator involves data gathering from a particular set of individuals (eg using a survey procedure or an attitudinal test), a reliable survey or test should usually result in similar conclusions if administered again within a relatively short period of time. This criterion can also be applied to other forms of data gathering.
- **Measures of internal reliability**. Where an indicator uses data gathered on one occasion through a series of questions or observations, the internal reliability of the measurement instrument can be calculated using split-half procedures or statistical indices such as Cronbach's alpha.

In reports of empirical studies on social or institutional capital or on sense of community, some authors have given information on internal reliability of their measurement instruments. Seldom have they given information on other aspects of reliability.

4.3 Applicability to various types of community

Closely related to both validity and reliability is the question of whether a particular indicator is, at least in principle, applicable to all types of community. This consideration is important if one wishes to compare the relative strength of different types of community. For each of the indicators considered in Part C, the applicability to various types of community was noted. Most apply to all types of community although the relevance of an indicator can vary from one type of community to another.

4.4 Simplicity

Indicators should be as simple as possible without endangering validity and reliability. In general, the less complex an indicator the easier it is for people both to understand it and to use it. This is especially important if communities intend to gather or analyse data or if the results of data gathering and analysis are to be presented to communities. The indicators considered in earlier parts of this report would be understandable in most Australian communities although some particular terms such as social capital would need to be expressed in everyday language.

4.5 Comprehensiveness

Within the constraints imposed by time and available resources, this report has endeavoured to be as comprehensive as possible in covering various facets of community strength and outcomes. One reason for this is to review the range of options available to FaCS for assessing community strength and monitoring the outcomes of policies designed to enhance the strength of communities.

Nevertheless, Cobb and Rixford (1998, p. 18) state that 'Comprehensiveness may be the enemy of effectiveness'. In expounding on this remark, they argue that:

> A narrow range of indicators is more powerful than a laundry list. Historically, the most powerful indicators work has focused on a single issue. It has moved people to look beyond the most obvious features of a situation and to ask deeper questions than before. If an indicators project emphasises more than two or three indicator categories, that is unlikely to happen. It is natural to explore all of the facets of society by using many indicators to paint a detailed picture. However, it is more effective to find a few insightful and compelling indicators that represent that complex whole.

It is worth noting that one of the authors of those words (Cobb) played a major part in the development of the original version of the Genuine Progress Indicator (GPI), which is intended to supplement or replace Gross Domestic Product (GDP) as a measure of economic performance and societal wellbeing. As a summary statistic, the GPI gives no indication as to which aspects of economic performance and societal wellbeing are improving and which are deteriorating. Summary statistics such as the GPI need to be disaggregated before one can draw useful conclusions for public policy. In other words, information on sub-indicators is needed, both to calculate the GPI and to interpret its significance.

Cobb and Rixford rightly warn against the dangers of adopting a laundry list of social indicators without an adequate model of how they are causally interrelated. Although such models might not include every significant element of a particular situation, the more they identify the most salient elements, the more useful they will be.

4.6 Direct relevance to public policy

While it would be possible, in principle, to have a valid social indicator that is not designed specifically to inform public policy, FaCS' interest in social indicators arises largely from a policy perspective. Valid and reliable social indicators can be used to identify communities at risk, to assess the impacts of policy changes or particular programs and to inform debate on policy. Carefully selected indicators of outcomes, such as those listed in Part 3, can help to identify communities at risk. To get a better understanding of why these particular communities are at risk, attention should then be given to resources and processes within these communities.

By comparing the situation before and after, indicators of resources, processes and outcomes can also be used to assess the effects of policies or programs. However, one needs to be alert to the possibility that some events might be the outcome of factors other than a particular policy initiative.

4.7 Availability of data

Provided that they are valid and reliable as indicators, the use of pre-existing data sets will generally be more efficient than the gathering of new data. Data relevant to various economic and social indicators are periodically gathered by the ABS, both in national Censuses and in various specialised data gathering programs. Data from various sources are brought together in the ABS's Integrated Regional Database, which thus provides one possible source of information

on economic and social variables related to regionally defined communities. However, this database currently contains information on only a relatively small number of the indicators considered in Part 3 of the report.

In addition, the ABS conducts occasional surveys on particular issues that are relevant to the assessment of community strength and outcomes. Examples include the following:

- surveys of voluntary work, 1995 and 2000
- time use surveys, 1997 and 1997
- crime and safety surveys, 1993, 1995 and 1998
- surveys of disability, ageing and carers, 1993 and 1998.
- child care survey, 1999.

Because of the developmental work that has gone into these surveys, they are potentially useful for the design of particular survey items and for providing national data to which information from a particular community could be compared. However, the sample sizes for ABS's specialised surveys are generally too small to yield data about particular communities, whether defined in terms of locality or interest. In some cases the data could be analysed in terms of broad types of communities.

Another potential source of data is the administrative records of agencies such as FaCS, Centrelink, the Department of Health and Aged Care, and Commonwealth, State and Territory law enforcement agencies. These and other organisations hold databanks pertinent to some of the outcomes discussed in Part 3. Various natural resource management agencies hold data about some aspects of natural capital. Likewise, various financial agencies hold data about produced economic capital and other aspects of economic activity.

4.7 Practicality of collecting new data

Where existing sources of data are not adequate, the practicability of gathering new data must be considered. The ABS is making some moves in this direction with its proposal to conduct a General Social Survey (GSS) in 2002. In preparation for the GSS, the ABS (2000) has recently issued a discussion paper on *Measuring Social Capital*. Among the indicators being considered for inclusion in the GSS are the following:

- *Social networks and support structures*
  - — frequency of contact with family and friends (outside of the household);
  - — whether someone can be called on in times of sickness;
  - — frequency of visiting neighbours;
  - — degree to which individuals know other people in their neighbourhood;
  - — frequency of doing favours for neighbours;

  - — whether an individual's workmates are also their friends; and
  - — quality of relationships between employees and employers.
- *Social and community participation*
  - — picking up other people's rubbish when you come across it;
  - — active involvement in community projects, groups or networks;
  - — participation in local community action in response to an emergency or crisis; and
  - — degree of local newspaper coverage/readership.
- *Civic and political involvement and empowerment*
  - — attendance at local community events;
  - — degree of involvement in local, state or national issues;
  - — degree of awareness of local people, events and politics;
  - — whether contacted local member of Parliament either by phone, mail or face-to-face; and
  - — in a public meeting, if you disagree on what everyone else agrees on, do you feel free to speak out?
- *Trust in people and social institutions*
  - — whether feels that most people can generally be trusted;
  - — the extent to which people in the neighbourhood can be trusted;
  - — experiences of crime;
  - — beliefs about personal safety when walking alone in local area after dark;
  - — beliefs about the potential for becoming a victim of crime;
  - — level of trust in political parties, politicians, police & public servants to act for the public good; and
  - — level of confidence in churches, trade unions, large corporations, the media.
- *Tolerance of diversity*
  - — whether multiculturalism makes life in local area better or worse;
  - — degree of tolerance for diversity;
  - — level of disagreements or tension between ethnic groups; and
  - — level of cooperation displayed between groups.
- *Altruism, philanthropy and voluntary work*
  - — whether gives up time freely to help others;

— whether monetary donations are made to charitable or non-profit organisations;

— level of support for newly arrived refugees; and

— level of support for overseas aid programs.

The above list includes some but not all of the indicators and issues discussed in Part 3 of this report. If the ABS includes all or most of the above items in the GSS, this will provide a representative picture of many aspects of social capital in Australia. Questions about employment, income, housing, transport, health, education, financial security and total value of assets are also being considered for inclusion in the GSS. If the sample from which GSS data are drawn is randomly chosen and sufficiently large, it should be possible to draw conclusions about differences between metropolitan and non-metropolitan regions, and between some particular sub-categories of the Australian population. However, the GSS will be a survey, not a Census. It will not provide data on each community of locality and each community of interest in Australia. It will nevertheless provide a series of profiles to which particular communities can be compared.

4.8 Strengths and weaknesses of communities: concluding comments

In identifying ways to evaluate the strengths of community life, this report provides only an introduction. Different communities have different strengths and weaknesses. They could be strengthened in various ways. The Indigenous, non-English speaking community in Arnhem Land may be strengthened as it is allowed to take charge of its own affairs and as communication with non-Indigenous Australians is improved (Trudgen 2000). A rural community may be strengthened by local initiatives to diversify its economy. Some urban communities may be strengthened through improving the quality of relationships between police and the members of the community. A State capital may be strengthened as businesses become better corporate citizens. A community of interest may benefit from dedicated leaders who ensure the aims of the community are achieved.

In other words, communities work in various ways. While there is a level at which all communities need social interaction in which there are qualities of trust, reciprocity and tolerance, and all communities need leadership, the ways in which these qualities are developed within communities and the forms of expression they take will vary greatly from one community to another.

In Indigenous communities, kinship is an important factor holding community life together. In ethnic communities, the commonality of ethnicity forms the basis of community life. Within the context of small towns, the commitment of leaders, the trust that is based on long-standing reputation, can hold a community together. Yet, in the face of changing circumstances, other factors such as flexibility in business and an openness to people who have moved into the area, can make the difference between thriving and declining (Stayner et al. 2000). In large cities, the strength of community life depends partly on the quality of the functioning of the expert

systems, on the transparency and accountability of the organisations, industries and forms of governance. How people relate to strangers is often more significant for the quality of community than is how they relate to neighbours.

This report has identified major, general aspects of community life that contribute to its strength. Just as a water supply is necessary to a community but an ever-increasing abundance may not be necessary, so some of the factors identified as contributing to the strength of community may be necessary but an oversupply may not result in ever-increasing strength. Flora and Flora (2000), for example, argue that some forms of social capital can be too strong when developed at the expense of other desirable qualities. Forms of social capital which cut groups off from other groups, or which insulate communities from new ideas and new inputs, may detract from community strength. In practice, many factors balance each other, such as shared norms and tolerance of differences. The 'ideal' balance may be different in different types of communities.

More empirical work is needed to identify how the factors relate to each other, and which factors contribute most significantly to the quality of life in particular types of communities. We hope that this report will provide a resource for such further research and will provide a basis for further reflection on what is desired in community life. In such ways, we hope that the report ultimately contributes to the strengthening of communities.

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