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## DISCUSSION PAPER

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A series of big ideas and policy concepts designed to foster conversation and debate within the policy community.

## Rebuilding Social Capital Through Community Institutions

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### Abstract

*Achieving greater economic mobility in the United States will require rebuilding social capital, which is created through personal interactions with other people, family, groups, or institutions. The breakdown of these institutions, especially two-parent families, is a major cause of declining economic mobility for many Americans. More recently, charter schools, religious organizations, housing organizations, and even virtual networks have inspired such self-organization and serve as models for the institutions of economic advancement. They exemplify the rich American tradition of voluntary associations. Furthermore, in pursuing their primary purposes, they begin to engage in other activities that build the broader social capital needed to create an environment of opportunity.*

**I**ncreasing a person's potential for upward economic mobility involves strengthening three forms of capital that a person needs to possess: financial, human, and social.<sup>1</sup> Financial capital may be built by promoting a culture of savings and economic stability. Human capital refers to the marketable skills learned through education, health, and mentoring, which later translate into economic success. Social capital, by contrast, is gained through personal interactions with other people, family, groups, or institutions. Social relationships build trust, culture, perspective, and community—all non-cognitive skills that are necessary for economic mobility.

Social capital—the non-financial, often intangible assets that one gains from interactions with one's community—is lacking in the harsh economic climate of many low-income neighborhoods. There is a growing recognition among analysts that social capital is a key ingredient of economic mobility. As Stuart Butler has written in *National Affairs*, “Of these three forms of capital, social capital is surely the most important.”<sup>2</sup> A recent Harvard–Berkeley study similarly found, “Some of the strongest predictors of upward mobility are correlates of social capital and family structure.”<sup>3</sup>

This paper, in its entirety, can be found at [http://report.heritage.org/cpi\\_dp\\_15](http://report.heritage.org/cpi_dp_15)

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**In many neighborhoods, “social capital” is in deep decline, weakening opportunity and making upward mobility harder. How can it be revived? One intriguing possibility is that some institutions such as charter schools and churches will expand their functions and strengthen the environment for opportunity. CPI Research Assistant Mary Clare Reim explores examples of this phenomenon.**

In order to achieve greater economic mobility in the United States, we need to identify and build institutions in communities that will encourage positive social and economic behavior. To do that, we need to study how institutions have transformed low-income, crime-stricken neighborhoods into upwardly mobile communities. These examples may serve as positive models for similar areas. In addition to those that have accomplished positive results, we need to explore new types of institutions that could take on a wider role in building social capital in the future.

### Community Institutions

Peter Block describes the critical role of community institutions in his book *Community: The Structure of Belonging*:

Collective change occurs when individuals and small diverse groups engage one another in the presence of many others doing the same. It comes from the knowledge that what is occurring in one space is similarly happening in other spaces, especially ones where I do not know what they are doing. This is the value of network, or even a network of networks, which is today's version of a social movement. It holds that in larger events, structured in small circles ... the faith in restoration is established. All this needs to be followed up with the usual actions and problem solving, but it is in those moments when citizens engage one another, in communion with the witness of others, that something collective shifts.<sup>4</sup>

The networking effect that Block describes is essential for creating economic mobility. While both financial capital and human capital are essential for households to move up the economic ladder, social capital is just as vital. Indeed, it may be the necessary condition for other forms of capital to be obtained

and to flourish. As Robert Putnam and Lewis Feldstein write in *Better Together*, human social interactions profoundly affect economic behavior.<sup>5</sup> According to the Pew Project on Economic Mobility:

The wider community and society exercises considerable influence on economic opportunity and the ability of children to take advantage of it. This influence grows along with age, becoming influential as children enter school and considerably more important in adulthood.<sup>6</sup>

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The decline of these institutions—such as two-parent families, churches, neighborhood groups, and even Putnam's lamented bowling leagues—is a major cause of the decline of the social fabric necessary for enhancing mobility. Strong families are critical to a child's future well-being, and the lack of such households is closely linked to later social and economic problems for children. Small neighborhood gatherings foster a culture of togetherness in which important values and interests can be shared and strengthened and positive economic and social behavior can be reinforced. Particularly in impoverished areas, a positive common culture is critical to reinforce behavior that will improve a person's long-term prospects. Thus, rethinking the role that certain institutions can play in low-income commu-

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1. Stuart M. Butler, William W. Beach, and Paul L. Winfree, "Pathways to Economic Mobility: Key Indicators," Pew Charitable Trusts, Economic Mobility Project, 2008, pp. 3-4, [http://www.pewtrusts.org/our\\_work\\_report\\_detail.aspx?id=44274](http://www.pewtrusts.org/our_work_report_detail.aspx?id=44274) (accessed November 12, 2013).
  2. Stuart M. Butler, "Can the American Dream Be Saved?" *National Affairs*, Winter 2013, <http://www.nationalaffairs.com/publications/detail/can-the-american-dream-be-saved> (accessed November 12, 2013).
  3. Raj Chetty et al., "Summary of Project Findings," Equality of Opportunity Project, July 2013, p. 1, <http://obs.rc.fas.harvard.edu/chetty/website/IGE/Executive%20Summary.pdf> (accessed November 12, 2013).
  4. Peter Block, *Community: The Structure of Belonging* (San Francisco: Berrett-Koehler Publishers, 2008), pp. 78-79.
  5. Robert Putnam and Lewis Feldstein, *Better Together* (New York: Simon & Schuster Paperbacks, 2003), p. 2.
  6. Butler et al., "Pathways to Economic Mobility: Key Indicators," p. 13.
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nities could help to rebuild the elements that boost economic mobility.

Charles Murray also believes that the collapse of the American community directly threatens our country's future and builds enormous obstacles to upward mobility and achieving the American Dream. He paints a bleak picture of the structural decline of certain communities. Broken neighborhoods cause enormous social and economic problems well beyond those of violence and crime. "A neighborhood with weak social capital," writes Murray, "must take its problems to police or social welfare bureaucracies because local resources for dealing with them have atrophied."<sup>7</sup> By the time that atrophy happens, the police and welfare agencies can typically do little to stem the decline.

The social capital of a neighborhood takes several forms.

**Family.** One form of social capital is the bedrock role of the family. The importance of a two-parent family to a child's future is well understood by analysts. Indeed, marriage is the strongest factor in reducing child poverty.<sup>8</sup> According to the Pew Foundation's Economic Mobility Project, a child's family structure "can have a lasting influence on the economic mobility of children."<sup>9</sup> For example, children brought up in single-parent households are significantly more likely to face obstacles to economic mobility. In fact, "children raised in single-parent households are more likely to live in poverty and are less likely to do well in areas that influence future economic mobility, such as educational attainment."<sup>10</sup>

Isabel Sawhill of the Brookings Institution fears that the growing decline of family structure will permanently inhibit the economic mobility of children: "The life chances of these children are seriously compromised. Far more of them will grow up in poverty, fail in school, and enter adolescence

with a propensity to repeat their parents' youthful mistakes."<sup>11</sup> Therefore, neighborhoods that support strong families and stability facilitate greater economic mobility.

**Culture and Expectations.** Another form of social capital is the less tangible idea of "culture" and expectation. America's culture of hard work and desire for self-betterment has significantly declined over recent years and can only be enhanced through social capital. Murray describes how a culture of self-improvement has been replaced with negative societal influences that surround low-income neighborhoods. Lamenting the decline of founding virtues, including industriousness, honesty, marriage, and religiosity, he argues that "America will remain exceptional only to the extent that its people embody the same qualities that made it work for the first two centuries of existence. The founding virtues are central to that kind of citizenry."<sup>12</sup>

In other words, America used to be a country that shared a universal culture of hard work and honesty, which were promoted through institutions such as schools and churches. However, in the 21st century, the serious decline in participation in these institutions has eroded these virtues. For example, Murray points out:

[People who attended] a public meeting on town or school affairs: Down 35 percent from 1873 to 1944....

Percentage of parents with children under age 18 who are members of the PTA: Down 61 percent from 1960 to 1997....

"Our whole family usually eats dinner together." Percentage of married Americans who answer "disagree": up 69 percent from 1977 to 1999.<sup>13</sup>

7. Charles Murray, *Coming Apart: The State of White America, 1960–2010* (New York: Crown Forum, 2012), p. 256, <http://books.google.com/books?id=o6fUPokvyROC> (accessed November 14, 2013).

8. The Heritage Foundation, "Marriage Reduces Child Poverty," updated September 5, 2012, p. 1, <http://www.heritage.org/childpoverty>.

9. Butler et al., "Pathways to Economic Mobility: Key Indicators," p. 7.

10. *Ibid.*, p. 9.

11. Isabel V. Sawhill, "The Perils of Early Motherhood," *The Public Interest*, Winter 2002, [http://www.nationalaffairs.com/public\\_interest/detail/the-perils-of-early-motherhood](http://www.nationalaffairs.com/public_interest/detail/the-perils-of-early-motherhood) (accessed November 12, 2013).

12. Murray, *Coming Apart*, p. 147.

13. *Ibid.*, p. 245 (bullet points omitted).

Active participation in institutions such as town meetings or the PTA creates positive peer pressures on a community. Personal investment in the well-being of a neighborhood translates into an investment in economic mobility. America today is a country that seldom celebrates work and involves itself little in community development. Reversing this trend will build social capital and increase mobility among low-income neighborhoods.

**Institutions.** Another is the array of social institutions in a community, from churches to neighborhood associations to schools. The health of these institutions is a major factor in determining the probability that households will be upwardly mobile. In particular, they strongly affect a child's long-term prospects for economic mobility. As David Beito and others have recorded in 20th-century America—just as Tocqueville did in the 19th century—these institutions have arisen in many ways. In successful communities, they typically widen their original mission and help to create a strong and supportive network for social stability and self-improvement.<sup>14</sup>

### Rebuilding Social Capital

When the social capital of a community has declined to such a degree that it suffocates opportunity and self-improvement, what can be done?

Rebuilding broken institutions and the surrounding culture may alleviate low mobility in certain communities. Just as Murray and Putnam directly associate the erosion of social capital with the decline in mobility, so communities with stable or strong social capital offer greater opportunity for mobility. Beito points to examples of institutions that were created for one purpose but had a decisive influence on other elements of improvement, such as fraternal organizations creating health centers. It is important to explore how other institutions might extend their positive influence today.

Across the country, there are several examples of revitalized communities where this is happening and of organizations that have achieved economic and social success beyond their original missions. This success may be attributed to the societal

effects of strong community institutions. For example, strong schools have a stabilizing effect on low-income neighborhoods and inspire a cultural shift.

This paper looks at several examples of such institutions and the ways in which they build social capital and promote economic mobility. Understanding how these institutions create the social capital necessary for economic mobility may indicate how to replicate their success elsewhere. While successes may be applicable only in certain areas, thinking differently about the ways these institutions interact with their communities will start to answer the broader question of how to rebuild social capital.

### Charter Schools

Schools, by their nature, strive to educate the whole person and give their students the best opportunities in life that they can. However, for a school to succeed, it must engage the community beyond its walls. For one thing, a school's surrounding environment must be safe, or fearful children will be more likely to be truants or drop out. For example, surveys of parents at the D.C. Opportunity Scholarship Program state that safety is their most pressing concern.<sup>15</sup> For another, engaging parents in their child's education requires outreach to households, even becoming involved in their domestic problems. Children also need routine health care and other services if they are to attend regularly.

Strong interaction between school and community reinforces social capital that encourages learning and persistence. Communities can either reinforce lessons learned in the classroom or, in broken neighborhoods, undermine them.

Thus, investment and outreach into the surrounding community logically extends the school's mission. While many schools do this, charter schools are particularly well placed to take on the role of community anchor as part of fulfilling their core mission. In contrast with students in other public schools, students who attend charter schools are less likely to come from the immediate neighborhood. Charter school students are often seeking the best education possible at a public school price.

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14. David T. Beito, *From Mutual Aid to the Welfare State: Fraternal Societies and Social Services, 1890–1967* (Chapel Hill: University of North Carolina Press, 2000).

15. U.S. Department of Education, Institute of Education Sciences, National Center for Education Evaluation and Regional Assistance, "Evaluation of DC Opportunity Scholarship Program: Final Report," NCEE Study Snapshot, June 2010, <http://files.eric.ed.gov/fulltext/ED510452.pdf> (accessed November 13, 2013).

The less regulated charter schools tend to act more like private schools by forming their own mission statements and often acting as cultural centers. Their size and popularity also position them as an important source of funding for mutually beneficial activities within the community. Several charter schools now lead efforts to clean up their surrounding communities to improve the environment for learning by forming community partnerships or fostering key habits for success.

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### School–Community Partnerships

Several charter schools in Washington, D.C., illustrate how schools can improve the environment for learning by forming community partnerships.

**KIPP DC (Benning Road Campus, Washington, D.C.).** The Knowledge Is Power Program (KIPP), a national network of charter schools, is a successful model of community improvement. KIPP DC is a network of 10 charter schools at three campuses in low-income regions in the District of Columbia. KIPP DC enrolled 3,042 students during the 2012–2013 school year, of which 99 percent were African American and 83 percent qualified for free or reduced meals.<sup>16</sup> KIPP’s unwavering commitment to its students’ economic mobility sets it apart from most other D.C. schools. Preparing and sending their children to college continues to be KIPP’s constant focus. However, teachers recognize that several factors contribute to a child’s success in school.

*Kid Smiles Clinic.* For example, KIPP DC’s Benning Road campus recently partnered with Kid Smiles, a nonprofit dental clinic based out of Philadelphia. Kid Smiles converted a former liquor store next to the Benning Road campus into a dental clinic for students, their families, and anyone in the surrounding neighborhood who wants to receive free dental care. The clinic also offers dental hygiene education to the students as well as parents.

Several benefits stem from opening a dental clinic on the school’s campus.

- Students do not need to take much time away from school to go to the dentist. They can simply walk over and receive quality dental care from a familiar face. The clinic is staffed entirely by local residents, which further highlights its emphasis on community connection.
- Kid Smiles makes children generally feel more comfortable with health services and medical equipment, making it more likely that they and their parents will obtain the services they need in life. Kid Smiles also helps to educate KIPP and other students about the importance of dental care. Their Dental Detective Academy engages children in a fun, educational, interactive dental hygiene program from which they can graduate with pride. Such programs reduce the anxiety that children often associate with going to the dentist. Kid Smiles breaks down the barriers of access to and anxiety about oral health, which makes it a valuable asset to the surrounding community.

*City Dance.* KIPP DC also partnered with City Dance to open a nonprofit dance studio where students and other children in the neighborhood can receive free dance lessons. The studio embraces a philosophy of education through peaceful physical activity with one’s peers.

KIPP DC’s partnership with both Kid Smiles and City Dance demonstrates that a school’s involvement with surrounding organizations can have a positive influence on the community. Kid Smiles has proved to be a very successful dental clinic that promotes a culture of good health not only among KIPP students, but also in the entire local community. Meanwhile, City Dance provides a studio where young children can exercise in a non-threatening environment and learn something fun with other children with whom they would not otherwise interact.

These common community spaces provide a forum for members of a broken community to come together and learn from one another and build a more stable, positive community. KIPP DC recognizes that education cannot be limited to the classroom and acts on this idea.

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16. KIPP DC, “Smart Schools. Proven Results,” PowerPoint presentation, 2013.

*Crime Reduction.* Before KIPP DC moved to its Benning Road campus, drugs and crime defined the neighborhood. The school, which is several blocks from a Metro station, quickly discovered that its students needed to feel safer when walking to and from campus. The school worked tirelessly with local law enforcement and local residents to clean up the neighborhood and rid the area of drugs and gang violence.

KIPP has now expanded its neighborhood to an entire city block, and students typically can now walk to and from school without feeling threatened. The school discovered a common goal with the local community and police, and together they transformed the Benning Road campus into a shining example of positive outreach, creating a now virtually crime-free community.

**KIPP DC (Shaw Campus, Washington, D.C.).** Just up the road, the KIPP network continues its community stabilization efforts at its Shaw campus. Similar to the Benning Road campus, KIPP Shaw worked with local law enforcement to clean up the neighborhood. This KIPP branch also formed community partnerships of particular interest. Directly behind the campus is a small Methodist Church. Their relationship is unofficial, but they make small gestures such as sharing a parking lot or collaborating on day care.

The cooperation between a school and a church on one block makes the neighborhood unwelcome for criminal behavior, such as gang violence and drug use. The school also opened a dog park for students and the community.

This common space in the community has created a very interesting social phenomenon. People of all ages, colors, and genders love dogs. When walking past a dog park, neighbors naturally talk to one another to pet the dog, introduce dogs to one another, and so forth. This may appear to be a small accomplishment and perhaps hardly the role for a school, but this friendly space, where school children and their families can interact with one another on the mutually safe topic of pet ownership, helps people to form relationships. It also

increases street traffic, making the neighborhood safer, which directly helps the school to provide a safe learning environment. Building social capital is important for reinforcing the school's culture of learning and stabilizing the neighborhood, even when achieved by petting a dog.

The Shaw campus is a particularly interesting example of community building because these effects were not necessarily intentional. On its face, the school simply needed parking space and could also provide an area for people to walk their dogs. However, the consequences of such partnerships create a friendly community that drug dealers and gang leaders do not find conducive to crime.

### **Strengthening Civic Education and Involvement**

**DC Prep (Washington, D.C.).** DC Prep is Washington's top-performing charter school, and it encourages students to take pride in their community as a means of empowerment. According to Alumni Support Counselor Katy Dunn, most students want to use their education to return to their neighborhoods and help their friends and families move out of poverty. They want to go into careers such as social work or counseling. Many students live in the same apartment building close to campus.

Together, DC Prep and the surrounding community sponsor neighborhood cleanups and 5k runs. The charter school's presence in the Edgewood neighborhood creates a platform for community development. Teachers at DC Prep "celebrate individual classroom academic and character successes [and] promote a shared culture and pride of place for all students."<sup>17</sup> DC Prep reaches beyond the classroom to educate students by fostering a safe community environment.

Character education plays a large role in DC Prep's success and reinforces the non-cognitive skills that are critical to achieving school and career success and upward mobility.<sup>18</sup> Capitalizing on their innate personality traits and skills encourages students to reach their true potential and push beyond the boundaries of their circumstances.

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17. DC Prep, "The DC Prep Way," [http://www.dcprep.org/Our\\_Program/Academics\\_and\\_Character](http://www.dcprep.org/Our_Program/Academics_and_Character) (accessed November 13, 2013).

18. In his book *How Children Succeed*, Paul Tough argues that the character of students drives them to succeed. He aims to deemphasize the importance of cognitive skills in educational debates and focus instead on developing personality traits that are conducive to better learning abilities. Paul Tough, *How Children Succeed: Grit, Curiosity, and the Hidden Power of Character* (New York: Houghton Mifflin Harcourt Publishing Company, 2012).

Schools throughout the country have noticed that catering to such behavioral skills yields positive results in overall learning. State governments have supported the growing trend of character education, with 18 states requiring it and another 18 encouraging schools to provide such services. Schools such as DC Prep have strengthened the social education of their students, which translates into an increase in social capital, with many students planning to come back to the neighborhoods where they grew up and work toward social change.

### Promoting Savings

The development of good saving habits at a young age increases the likelihood that one will continue these habits into adulthood and achieve financial stability. As a previous Heritage Foundation paper noted, “the systematic savings habit and wealth accumulation are critical as a foundation for future prosperity, enabling investments in one’s education, entrepreneurship, and retirement.”<sup>19</sup> Children from families that save fare significantly better economically than children of families that do not:

According to the Pew Foundation’s Economic Mobility Project, 71 percent of children born to high-saving but low-income parents move up from the bottom income quintile over one generation; only 50 percent of children from similarly low-income households, with parents who do not save, do so.<sup>20</sup>

Americans generally do not consider savings to be a social activity. Putting money in a savings account is typically a very private activity. Meanwhile, Americans frequently engage in social activities that actually diminish their savings, such as gambling or buying lottery tickets.

“[A]dequate savings can prevent a setback,” writes Stuart Butler in *National Affairs*. “And a great deal of research shows that, from early childhood on, successfully withstanding setbacks—rather than being paralyzed by them—is associated with building the perseverance needed for long-term success and mobility.”<sup>21</sup> However, even a child from a family with strong savings habits can lose that influence when exposed to a community that undermines those values. “[T]he probability that someone will save money depends on much more than just his or her parents’ income. It is heavily influenced by the culture of his community and by learned character traits, themselves influenced by social capital.”<sup>22</sup> Research also indicates a connection between early childhood savings and success in higher education.<sup>23</sup>

Schools have an almost unique ability to encourage children to save by transforming the habit from a private matter into a communal activity. Particularly during adolescence, children form habits based on the actions of their peers. Schools are well placed to make the act of saving money a social and cultural one, possibly with positive peer pressure to push students toward good economic mobility habits.

**KIPP DC (National Network Program).** KIPP recognizes the need for their students to save as an essential step to begin building financial capital. The KIPP network started a college savings program for their students called KIPP Through College. Upon enrollment, each student receives a \$50 gift card and a \$50 match, thus providing a \$100 incentive just to enroll in the savings program. KIPP then promises to match any family’s or friend’s contribution up to \$250. KIPP also constantly surrounds its students with college-bound rhetoric, including the ability to pay for college. Encouraging children not only to think about how to pay for college, but also to start saving early increases the odds of their becoming excited about their future and attending college.

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19. Stuart M. Butler, David C. John, and Sean Rust, “Boosting Economic Mobility Through Prize-Linked Savings,” Heritage Foundation Center for Policy Innovation *Discussion Paper* No. 11, May 29, 2013, p. 2, <http://www.heritage.org/research/reports/2013/05/boosting-economic-mobility-through-prize-linked-savings>.

20. *Ibid.*, summarizing finding in Reid Cramer, Rourke O’Brien, Daniel Cooper, and Maria Luengo-Prado, “A Penny Saved Is Mobility Earned: Advancing Economic Mobility Through Savings,” Pew Charitable Trusts, Economic Mobility Project, November 2009, [http://www.pewtrusts.org/our\\_work\\_report\\_detail.aspx?id=56172](http://www.pewtrusts.org/our_work_report_detail.aspx?id=56172) (accessed March 8, 2013).

21. Butler, “Can The American Dream Be Saved?”

22. *Ibid.*

23. William Elliott, “Small-Dollar Children’s Savings Accounts and College Outcomes,” University of Kansas, Center for Social Development *Working Paper* No. 13-05, 2013, <http://csd.wustl.edu/Publications/Documents/WP13-05.pdf> (accessed November 19, 2013).

**Propel School (Pittsburgh, Pennsylvania).**

The Fund My Future program at the Propel School in Pittsburgh takes saving for college a step further. Propel automatically opens a child savings account for each of its students at its three pilot locations. Fund My Future's success compared with that of other school savings accounts may be attributed to two unique factors:

- The school incorporates a prize-linked savings model to draw students into the program.<sup>24</sup> For every deposit into savings, the student receives a raffle ticket. Therefore, the more times the student deposits money, the more likely he or she will win the raffle. Fund My Future invokes the thrill associated with playing the lottery and applies it to a program that invests positively in a student's future.
- The Propel School advertises the program on "Bank Days," when representatives from the Fund My Future program and local banks visit the school and educate the students about savings accounts. The bank representatives return periodically, prompting the students to start thinking about college and responsible saving habits. Combining prize-linked savings with the constant visibility of banks in schools encourages setting aside money for college and turns saving into a social undertaking with positive associations.

KIPP DC and Propel are extremely successful charter schools. The EPIC National Charter School Consortium named Propel's McKeesport, Pennsylvania, campus the top-performing elementary charter school in the nation.<sup>25</sup> African-American students are 60 percent more likely to be at grade level if attending Propel.<sup>26</sup> Some 93 percent of KIPP students graduate high school, and 80 percent move on to college, compared with 43 percent of D.C. public school students who graduate high school and just 9 percent graduating from college.<sup>27</sup>

These charter schools produce great results for their students that warrant a closer look at their

innovative teaching practices. Partnerships with community institutions, such as dental clinics or banks, certainly have positive impacts on the impoverished neighborhoods that the schools serve. Additionally, these schools use their unique ability to create positive social pressures and to encourage their students to save through college savings programs and "bank days."

**Community Networks That Strengthen Mobility Behavior**

Throughout the country, community organizations that seek to solve local problems, such as poverty or violence, focus their missions on promoting social capital. These institutions have found that attention to cultural behaviors is the best way to improve mobility in areas that are struggling to form a social infrastructure. While their primary mission may not necessarily be economic mobility, their attention to social capital achieves the same goal.

In fact, work toward an organization's primary mission often invokes a shift in cultural behaviors that create a friendly environment for economic mobility. Institutions recognize that the culture of self-betterment that Charles Murray describes in *Coming Apart* is often a positive result of other efforts to improve a community's economic circumstances. This culture allows the efforts of these institutions to inspire change elsewhere in the community.

Certain communities, recognizing the need for social capital, form networks that frame a mission around a common goal of economic mobility. Such networks draw out positive features of the neighborhood culture that crime and poverty often conceal. These networks create a sense of identity that increases social capital. They often achieve this by building on their central purpose, reinforcing their primary mission with related activities in ways that strengthen social capital.

The following examples of networks illuminate ways in which this effect can mobilize low-income communities. Like certain schools, many grassroots organizations have produced positive effects on

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24. For a full explanation of prize-linked savings, see Butler et al., "Boosting Economic Mobility Through Prize-Linked Savings."

25. Jason Togyer, "Nation's Top Charter School? Survey Says It's in McKeesport," *The Tube City Almanac*, March 17, 2010, [http://www.tubecityonline.com/almanac/entry\\_1451.php](http://www.tubecityonline.com/almanac/entry_1451.php) (accessed November 13, 2013).

26. Propel Schools, "Results," <http://www.propelschools.org/results2.php> (accessed November 13, 2013).

27. KIPP DC, "Results and Impact," <http://www.kippdc.org/about/results-impact/> (accessed November 13, 2013).



their communities. Organizations that collaborate with one another in a community to address mutual problems are better able to address those problems effectively. Particularly in low-income communities, simple communication among neighbors can often alleviate economic hardships.

**The Family Independence Initiative.** Across the United States, families are joining the Family Independence Initiative (FII), which uses a community network model to move low-income families out of poverty. The FII shows how the process of community organization can evolve into a process to spark greater economic mobility.

The initiative serves as a medium through which neighbors can access resources that already exist. If a family wishes to join the program, it must enlist six to eight other families, which forces the families to build social relationships from the beginning. At FII meetings, families from the same neighborhood discuss their various struggles, which are typically financial. Significantly, the FII representative is not permitted to offer any help or advice, but rather lets families find solutions to their problems together. Encouraging self-reliance, joint problem solving, and reduced dependence on outside assistance is central to the FII approach.

The program requires families to state their goals and record information, such as their income, assets, debts, education, and skills. The FII then offers its members \$30 for every recorded success that they achieve on their list of goals. Of the initial 344 participants, 86 households reported a 23 percent increase in earnings at the end of the first two years, with a 240 percent increase in savings and a 17 percent increase in homeownership.<sup>28</sup>

The FII's opportunity platform shows how simple organization and communication among neighbors with similar problems can achieve economic mobility. As founder Lim Miller has stated, "We look for positive deviances from families we think are very typical. When a seemingly ordinary person deviates from the norm and succeeds, it creates a change in expectations and ripples out."<sup>29</sup> This ripple effect allows low-income families to learn from their neighbors and climb up the economic ladder themselves.

The FII's success underscores the significant impact that reinforcing social capital can have on family income and other factors associated with upward mobility. Families that participate in these networks have shown notable financial gain that is worth further study. Furthermore, the FII model can be adapted to cater to the needs of individual communities. Rather than applying a national model to a specific community and hoping to achieve similar results, the FII is designed to adapt to the needs of each individual community.

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**The Village to Village Network.** The Village to Village Network follows a similar communal model. Originally, the Village to Village Network sought to help seniors stay in their homes despite frailty or chronic illness. In creative ways, the program expanded to cover a wide variety of services for the elderly, including increased community involvement and outreach to health system and other service providers. Today, more than 85 villages throughout the United States provide valuable services to their members, such as transportation, grocery shopping, and health care advocacy and services. Members pay a small fee and then gain access to all of the offered services as well as the benefits associated with being a part of the social network.

One of the largest villages in the country is in the Capitol Hill neighborhood of Washington, D.C. Capitol Hill Village is one of the oldest and most diverse communities in the city.<sup>30</sup> The village helps its members with many problems that come with age, such as moving to one-story houses or various changes in financial needs. It also offers symposia to build community relationships and offer advice to village members.

The Village to Village Network has two particularly important features. First, although they start-

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28. Family Independence Initiative, "Impact Data," <http://www.fii.org/impact/data> (accessed November 13, 2013).

29. Lim Miller, quoted in David Bornstein, "Trusting Families to Help Themselves," *The New York Times*, July 19, 2011, <http://opinionator.blogs.nytimes.com/2011/07/19/trusting-families-to-help-themselves/> (accessed November 20, 2013).

30. Mike Canning, quoted in "At Home on the Hill," *Capitol Hill Village*, <http://www.capitolhillvillage.org/?pg=58> (accessed November 13, 2013).

ed by organizing a volunteer effort to allow seniors to remain in the neighborhoods where they are comfortable, the organizations have ventured into arranging other services and have expanded their role to coordinating all of the services the elderly need into a comprehensive delivery system. Second, the volunteer effort has strengthened the community fabric by uniting around a common cause and linking it to professional service providers, especially in the health care field.

The Capitol Hill Village Network works closely with the nearby Medstar hospital to provide a full range of medical services to elderly people who wish to receive treatments in their home rather than in a nursing home or hospital. This not only significantly reduces health care costs in the long run, but also significantly improves the quality of life, the care of the patients, and the stability of the community. Every morning, doctors, nurses, and social workers meet together to discuss each patient and what roles each of them will play in providing care. This creates a rotation schedule to make sure that someone covers all aspects of care for one patient. This home-based, personalized health care delivery system is very uncommon in modern times. The Village to Village Network's communication and collaboration with professionals at all levels of care provides an unprecedented quality of service for elderly patients.

Community networks such as these can offer invaluable services at very little cost. Village to Village Network associations have a median budget of less than \$100,000 for an average of 96 members.<sup>31</sup> This limited amount of money goes a very long way in terms of community stabilization. The village networks work by enabling moderate-income citizens to benefit from stronger social capital rather than large-scale private or government resources. Similar to the Family Independence Initiative, the Village to Village Network does not provide any new money or resources; instead, it pools and redirects

available human and financial resources to provide a strong anchor in the community.

**Harlem Children's Zone (New York City).** Citizens of Harlem in New York City started the Harlem Children's Zone (HCZ) to transform their community into a place where children can succeed. Harlem faces societal problems such as poor education, crime, and poverty. The Harlem Children's Zone aims to alleviate these issues through community outreach programs and now serves over 8,000 youths.

The HCZ began modestly in the 1990s. Today, it provides numerous programs stretching over 100 blocks and operates two charter schools.<sup>32</sup> In order to pursue its primary education mission more effectively, the HCZ has expanded into other activities. Among these are Baby College parenting workshops, the Harlem Gems pre-school program, the HCZ Asthma Initiative, and an obesity program.<sup>33</sup> All of these programs are run under the umbrella of the Harlem Children's Zone and help to make schoolchildren more likely to succeed.

Since its founding in 1997, the HCZ has seen drastic improvements. For example, the college success office has enrolled over 600 HCZ after-school program participants in college.<sup>34</sup> Additionally, the HCZ reports that 100 percent of its high school after-school program participants continued to stay in school.<sup>35</sup> Children who participate in after-school programs, such as the HCZ, build stronger social capital through involvement with other children who have positive approaches and are willing to continue their education past school hours.

The HCZ exemplifies a type of organization that can be the key to building or rebuilding social capital in neighborhoods, thereby laying one of the most important foundations for economic mobility. Like similar anchoring institutions, the organization recognizes that in order to achieve that primary mission—in the HCZ's case, education—it must expand its activities into areas that feed into that mission

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31. Emily Greenfield et al., "A National Overview of Villages: Results from a 2012 Organizational Survey," Rutgers School of Social Work, December 1, 2012, p. 6, <http://documents.clubexpress.com/documents.ashx?key=kYA6bFCyEAFYT%2bTW4xG7fwORCfslO%2f4H%2fFAMAbqckGaecmWW44ASlg%3d%3d> (accessed November 13, 2013).
  32. Danielle Hanson, "Assessing the Harlem Children's Zone," Heritage Foundation Center for Policy Innovation *Discussion Paper* No. 8, March 6, 2013, <http://www.heritage.org/research/reports/2013/03/assessing-the-harlem-childrens-zone> (accessed November 13, 2013).
  33. Harlem Children's Zone, "History," <http://hcz.org/index.php/about-us/history> (accessed November 13, 2013).
  34. Harlem Children's Zone, "Our Results," <http://hcz.org/index.php/our-results> (accessed November 13, 2013).
  35. Ibid.

and make its success more likely. By expanding in this way, it also begins to build a network of mutually reinforcing activities and ventures that creates a fabric of social capital in the community in addition to enhancing the objective of improving education.

**Horton's Kids (Washington, D.C.).** Horton's Kids has partnered with KIPP DC to provide an after-school education program for over 300 children. Horton's Kids serves pre-kindergarten through 12th grade students by offering such programs as reading and math tutoring, literacy programs over the summer, and special education services. It also endorses a healthy lifestyle by providing nutritious snacks and emergency food assistance for families. To alleviate some of the financial burden of attending school, every year, each student receives a backpack full of school supplies and winter coats.

Horton's Kids achieves all of these great services through community outreach. The organization collaborates with local dental clinics and optometrists who offer pro bono dental and vision care. In addition, every staff member meets individually with the families every week to update them on their children's progress.

**Association of Concerned Black Men.** Founded in 1975 by a group of inspired police officers, Concerned Black Men (CBM) is a national organization that strives to protect young children from gang violence. The program provides volunteers as positive male role models for at-risk youth. To this end, they "work to create an America where":

- Every child has a responsible caring adult in his or her life;
- After-school and summer enrichment programs are available to all young people, not just children from wealthy families;
- Young people are empowered to change their lives by receiving appropriate and accurate information on health, social, and community issues;
- Quality public education is our nation's highest priority; and
- Teenage parents are the exception, not the norm.<sup>36</sup>

In 1997, the Benning Terrace public housing development in Washington, D.C., was a hub of gang violence that resulted in large numbers of youth deaths. CBM approached Robert Woodson of the Center for Neighborhood Enterprise to find a solution for this cultural emphasis on gangs and violence in the Benning Terrace area. Together, they set up a meeting between Woodson and the gang leaders themselves. Ultimately, they reached a peace agreement for the sake of children who simply wanted the opportunity to learn. Academic success cannot be achieved when the glaring barrier of gang violence surrounds the school's culture.

Once these barriers were removed, students jumped at the new array of opportunities open to them. The collaboration between CBM and Woodson's Center for Neighborhood Enterprise shifted the neighborhood's focus from drugs and crime to youth empowerment and high academic expectations by using the gang leaders themselves as facilitators. Some former gang members now volunteer in the community as football coaches.

Violence reduction was the initial objective of the Benning Terrace initiative, but in addressing that goal, CBM and Woodson's faith-based approach recognized a positive form of mission creep in that building trust and economically revitalizing low-income communities through empowerment, collaboration, and outreach are the keys to long-term reduction of violence. Working toward the primary goal meant broadening activities in ways that helped to stabilize the entire community.

Since its founding, CBM has formed 17 chapters, offering a range of services from their Saving Lives and Minds (SLAM) tutoring program to their Parent Self-Improvement Project (PSIP), which helps parents to develop the life skills needed to raise successful children.

### **Mobilizing Religious Institutions**

Religious institutions, the backbone of American civil society, serve as strong anchors in communities that otherwise would have very little organization and culture. Churches often invoke a common commitment to charity among their members to encourage community improvement. Observing how such institutions affect low-income areas may offer some answers to the overarching question of

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36. Concerned Black Men National, "About," <http://www.cbmnational.org/about/> (accessed November 13, 2013) (original bullet points).

how to increase the economic mobility of families in the bottom income quintile. Faith-based organizations run by inspired community leaders provide encouraging solutions.

**The Black Church.** Churches across the country, especially the black church, extend their missions beyond promoting their faith to promoting a social infrastructure that fosters mobility. They achieve this by providing a number of services to their members that in turn create a culture of self-improvement.

The black church has a long history of building on a shared culture to provide help to its members. During segregation, African Americans found themselves completely cut out of many mainstream services, such as health care and adequate low-income housing. Faith-based organizations had the social capital to form programs that would provide these services to the black community and preserve a common culture. In many ways, as Malcolm Dewey writes, this culture focused on economic development:

Black churches, perhaps unknowingly, were some of the first institutions that inspired Blacks to establish economic development initiatives. They were the birth of several colleges and universities and Black political organizations such as the NAACP and the Urban League.<sup>37</sup>

The church services themselves often stressed the importance of economic habits: “In the pulpit, Black ministers extolled the value of saving portions of earnings.”<sup>38</sup>

The example of the black church indicates that faith-based organizations can use their unique ability to build social capital to improve the economic and social stability of their surrounding communities. In the past, black churches were among the first institutions to provide health care to their members through partnerships with hospitals and individual physicians.

In his book *From Mutual Aid to the Welfare State: Fraternal Societies and Social Services, 1890–1967*,

David Beito describes the rise of two fraternal hospitals: the Friendship Clinic and Taborial Hospital. Both hospitals achieved great success despite the barriers of segregation: “For the first time, men and women could visit a doctor by walking through the front door rather than the side entrance for the ‘colored section.’”<sup>39</sup> These hospitals stabilized the black community and provided services that were desperately needed at the time. Religious institutions have demonstrated the remarkable ability to inspire change due to their faith-driven mission and ability to partner with other organizations that wish to achieve similar societal change.

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### Religious institutions, the backbone of American civil society, serve as strong anchors in communities that otherwise would have very little organization and culture.

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Although not a religious institution itself, the Center for Neighborhood Enterprise (CNE) has become a catalyst for such innovative faith-based community-building in low-income communities, often with remarkable results. Robert Woodson, CEO and founder of the Center for Neighborhood Enterprise, argues that small investments in such institutions translate into community stabilization and large-scale societal change:

For 30 years the Center for Neighborhood Enterprise has ... in effect operated a social laboratory that has demonstrated in its neighborhood-based social interventions that it is possible to shrink the size and reach of government and cut costs by shrinking the demand for services by the population suffering the problem. In this current economic climate, CNE’s role becomes even more important. It is critical that the small but important community and faith-based organizations that we serve have sound management practices

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37. Malcolm Dewey, “Black Megachurch and Social Services,” PhD dissertation, American University, 2008, p. 32, <http://books.google.com/books?id=8iINzrvCIAIC&printsec> (accessed November 13, 2013).

38. *Ibid.*, p. 34.

39. Beito, *From Mutual Aid to the Welfare State*, p. 181.

that operate efficiently and effectively if they, and other people they help, are to survive.<sup>40</sup>

The CNE has been remarkably successful in assisting faith-based grass-roots organizations throughout the country and developing ways in which these organizations can fight problems such as violence, crime, substance abuse, debt, and other factors that keep communities from thriving economically.

**First Baptist Church of Lincoln Gardens (Somerset, New Jersey).** Led by Pastor DeForest “Buster” Soaries, the Lincoln Gardens community of Somerset, New Jersey, has tackled faith-based social mobility head-on. The church clearly defines its mission and core values to include community service and outreach. Through the creation of such a community, the First Baptist Church exudes a culture of mobility and self-improvement that ripples out into the surrounding neighborhood. Pastor Soaries’s efforts exemplify the pinnacle of faith-driven community development.

*Reducing Debt and Building Savings.* Recognizing the importance of debt reduction and the creation of financial capital, Soaries has focused on financial security for his entire congregation through an education campaign called “dfree” (debt-free) lifestyle: “A dfree lifestyle means living without debt, deficits and delinquencies. The dfree strategy, established in 2005, is available to churches, credit unions and colleges and universities across America.”<sup>41</sup>

Pastor Soaries, formerly the Secretary of State of New Jersey, set aside his career in politics to dedicate his life to educating citizens on debt reduction and financial security. In 2011, Soaries published a book on the subject: *dfree: Breaking Free from Financial Slavery*.<sup>42</sup> Soaries also writes a blog in which he offers the “dfree tip of the week.” For example, he writes:

We think we must have that new pair of shoes, or that very nice suit, or that brand new car, even if it

means using high interest credit cards and loans to get them. Borrowing has become a lifestyle and Americans are drowning in debt. This is fact: you cannot be financially free, until you get out of debt.<sup>43</sup>

Soaries discovered that being debt free also encouraged behavior necessary for mobility, such as hard work, diligence, and discipline.

*Adoption.* Soaries also founded Harvest of Hope, a social services network that aims to provide homes for children who are up for adoption. By doing this, the church helps to stabilize the family life of children who have not received the benefit of a strong family—a major key to later social and economic success. Harvest of Hope finds parents seeking adoption, prepares them for parenthood, and helps to match them with a child in need of a home.

Harvest of Hope has been very effective since its founding in 1996. To date, it has been responsible for the adoption of 194 children and the placement of 490 children in foster homes. In addition, 60 children have been reunited with their biological parents with the organization’s help.

Pastor Soaries recognized two significant needs within his community: debt and children lacking a stable home. He and his church then used their position within the community to develop faith-driven missions to solve these tough problems through community organization. Soaries’s dfree campaign and Harvest of Hope unite neighbors around common missions that not only solve a need, but also build social relationships and cohesion.

**House of Help City of Hope (Washington, D.C., area).** Bishop Shirley Holloway, founder of the nonprofit organization House of Help City of Hope, follows Buster Soaries’s example of faith-based community development. Bishop Holloway currently works as the senior pastor at the Words and Worship Centers in Washington, D.C.; Waldorf, Maryland; and Suitland, Maryland.<sup>44</sup> The church’s nondenomi-

40. Center for Neighborhood Enterprise, *Annual Report 2010*, <http://www.cneonline.org/wp-content/uploads/2012/09/CNE-Annual-Report-2010-1.pdf> (accessed November 13, 2013).

41. First Baptist Church of Lincoln Gardens, “About Pastor Soaries,” [http://www.fbcsonersset.com/about/pastor\\_soaries.php](http://www.fbcsonersset.com/about/pastor_soaries.php) (accessed November 13, 2013).

42. DeForest B. Soaries, Jr., *dfree: Breaking Free from Financial Slavery* (Grand Rapids, Mich.: Zondervan, 2011).

43. DeForest B. Soaries, Jr., “Financial Freedom Friday,” First Baptist Church of Lincoln Gardens, January 25, 2013, <http://fbcsonersset.com/blog/?tag=buster-soaries> (accessed November 13, 2013).

44. Holloway Ministries, “Bishop’s Bio,” <http://hollowayministries.org/index.php/bishop-s-bio> (accessed November 13, 2013).

national mission opens its doors to all people of faith. Like Pastor Soaries, Holloway has used the strong social capital of her church to work toward larger social issues.

Holloway acquires real estate and uses those housing developments both as intermediate treatment facilities for chemically dependent persons and to “serve as a catalyst for individuals to rise above addiction, homelessness, and poverty.”<sup>45</sup> Holloway’s religious commitments have inspired others to join her initiatives. Today, House of Help City of Hope has helped over 25,000 people to overcome their addictions. People who complete the program live together in an apartment in an atmosphere that emphasizes recovery and sobriety.

Similar to such programs as the Family Independence Initiative and Pastor Soaries’s dfree initiative, House of Help City of Hope solves problems by building community. In fact, Holloway’s original mission to move addicted persons out of poverty also resulted in a community transformation. A Washington newspaper reported:

When Holloway acquired the Graceview property, it was a dilapidated haven for drug dealers and prostitution, a nightmare for DC police.

“Before we took over that property, [utility] meter readers refused to come there without a police protection for fear of being robbed,” said Holloway.

“We’ve come a long way and it’s virtually crime free now and police have thanked us for helping to make their jobs less dangerous in the area and the community safer.”<sup>46</sup>

As seen in many organizations that strengthen social capital, the effects are not limited to their original mission. The power of social capital ripples out into the larger community, which ultimately provides the opportunity for economic mobility.

## Violence-Free Zones

When founding his Violence-Free Zone (VFZ) initiative in 2006, Robert Woodson recognized that youth safety was necessary for youth success. A stable, peaceful community improves a child’s ability to learn and build social relationships, both of which are necessary for economic mobility. The VFZ mission acknowledges economic advancement as a goal: “Because civil order is fundamental to economic revitalization, CNE has a major focus on youth violence intervention and prevention.”<sup>47</sup>

The Center for Neighborhood Enterprise’s Violence-Free Zone initiative specifically targets violence in schools and uses young people within the community to solve this problem. By using Youth Advisors, the Violence-Free Zone initiative puts faith in young people who are affected most by gang violence:

The VFZ Youth Advisors work closely with and support school safety staff, police School Resource Officers, teachers, and counselors, adding a new layer in a comprehensive system of support.... Because the Youth Advisors are trusted and respected, the students respond to them and share confidences with them in ways that are not seen by the students as “snitching” thereby making it possible to head off dangerous situations.<sup>48</sup>

The Violence-Free Zone initiative has proved to be extremely successful and has changed the entire culture of inner-city, crime-ridden schools.

Faith-based organizations bring members of a community together in ways that other organizations cannot. Much can be learned from studying the ways in which churches anchor communities that suffer from poverty and violence.

Religious institutions and faith-based organizations that address debt and addiction can make great strides in moving low-income communities up the economic ladder. Buster Soaries and Bishop Shirley Holloway successfully used their religious

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45. Ibid.

46. Jim Allen, “The Life Changing House of Help City of Hope Needs a Miracle,” *The Examiner*, April 2, 2013, <http://www.examiner.com/article/the-life-changing-house-of-help-city-of-hope-needs-a-miracle> (accessed November 13, 2013).

47. Center for Neighborhood Enterprise, “Who We Help,” <http://www.cneonline.org/who-we-help/> (accessed November 13, 2013).

48. Center for Neighborhood Enterprise, “Reducing Youth Violence: Violence-Free Zone,” <http://www.cneonline.org/reducing-youth-violence-the-violence-free-zone/> (accessed November 13, 2013).

convictions to inspire communities to work together to overcome their economic struggles. Holloway's House of Help City of Hope not only cures addicts of their disease, but also offers them a community of support. Buster Soaries transformed his congregation from simply a church into a community that overcomes debt together.

America's delicate relationship with the church has had a history of replacing the void in society that the government lacks the capability to fill. As George Will wrote in *National Affairs*, "America's wholesome division of labor between political institutions and the institutions of civil society—including, especially, religious institutions—that mediate between citizen and the state ... make[s] freedom possible."<sup>49</sup>

### Housing Associations

The successful operation of low-income housing is another example of an immediate goal leading to a widening set of activities that not only enhance the immediate goal of the institution, but also build a stronger social fabric.

**The Resident Management Movement.** In the early 1970s, many public housing residents decided they wanted to take control of the day-to-day management of their projects and work with law enforcement to eliminate crime. In order to tackle crime, drug use, truancy, graffiti, and other activities that cause the social and physical deterioration of a project, the residents recognized that they needed to foster personal responsibility. Robert Woodson described this nationwide phenomenon:

Their demand for reform of the housing authorities was coupled with a call for reciprocity and personal responsibility on the residents' part. They understood that, in addition to addressing the failures of the housing officials, some of the residents would also need to change and improve their conduct if they were to earn the trust, respect, and support of the public that would be needed in their struggle to determine their destiny.<sup>50</sup>

To stabilize the housing in their community, those resident groups that obtained management

contracts quickly tackled the causes of social, physical, and economic deterioration. They sought to get young people out of the corridors and back into school. They removed graffiti. They leaned on able-bodied welfare recipients to get jobs. They explored ways to provide better day care services in projects so that women could boost their earnings. All of this was good for each housing project itself, but it also helped to foster economic and social improvement in the broader community.

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### Religious institutions and faith-based organizations that address debt and addiction can make great strides in moving low-income communities up the economic ladder.

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Federal legislation passed in 1987 provided greater opportunities for public housing residents to manage their own properties. Yet residents still face bureaucratic barriers and other obstacles in gaining the opportunity to manage, and so far, the movement has not realized its potential.

**Harlem Children's Zone (New York City).** Good housing and urban design is not only key to a family's economic standing, but also essential for a child's development. For instance, the physical location and structure of a housing complex can influence the perceived safety of a community, foster street traffic, and assist in child development as well as family cohesion. Cul-de-sacs in middle-class neighborhoods allow children to play with one another and parents to become acquainted their neighbors.

However, in many low-income neighborhoods, cul-de-sacs have the opposite effect. For instance, leaders of the Harlem Children's Zone observed that a cul-de-sac in a major housing project had made the project a safe haven for drug dealers. The lack of a through street meant that the area had only one entrance, making it easier for lookouts to spot police cars and escape on foot.

When HCZ decided to build a new charter school in the project, it did two important things. First, it

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49. George F. Will, "Religion and the American Republic," *National Affairs*, Summer 2013, p. 124, <http://www.nationalaffairs.com/publications/detail/religion-and-the-american-republic> (accessed November 13, 2013).

50. Excerpt from interview with Robert Woodson, October 2012.

negotiated with the city to turn the cul-de-sac into a through street, changing the street dynamic and allowing greater police access. Second, it sited the school in the very center of the project so that it functions not only as a school, but also as an observation post and a social center for the neighborhood.

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### **In areas where economic mobility is low and community cohesion is broken or nonexistent, social media and networks can serve as a surprisingly effective alternative.**

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The open, easily governed streets of this section of the Harlem Children's Zone are now safer and kid-friendly due to the change in street design. That is good both for the safety of the schools and for the stability of the neighborhood.

**East Lake Meadow Community (Atlanta, Georgia).** A similar phenomenon occurred in the East Lake Meadow region of southeast Atlanta. As a recent *Wall Street Journal* article explains:

Fifteen years ago, East Lake Meadows, a public-housing project with 1,400 residents, was a terrifying place to live. Nine out of 10 residents had been victims of a crime. Today it is a safe community of working, taxpaying families whose children excel in the classroom.<sup>51</sup>

The East Lake Foundation achieved this great feat by working with city leaders to simultaneously address the issues of "mixed-income housing, cradle-to-college education program, job readiness, and health and wellness opportunities."<sup>52</sup> Atlanta's efforts combined all of the necessary components for community revitalization: great attention to the formation of all forms of social capital in conjunction with the motivated efforts of strong community leaders.

This approach allowed for one revitalization effort to influence the next. The initial focus was expanding access to low-income housing, which East Lake achieved by creating mixed-income communities. This in turn gave children positive role models right next door, which encouraged greater school performance. Atlanta then opened the Charles R. Drew School, its first charter school. The great success of the city's housing and education efforts inspired the community to come together and rebuild a public golf course.<sup>53</sup>

As seen throughout this paper, various efforts to improve one area of social capital may help another. Atlanta's leaders recognized this fact and successfully improved the economic circumstances of East Lake Meadow residents. The *Wall Street Journal* article concludes:

A better house by itself doesn't make children feel safe. East Lake's charter school alone doesn't make children eager to learn. But a decent place to live, a secure environment with adult role models, and a great school with specially trained teachers together produced change.<sup>54</sup>

### **Virtual Networks**

The notions of community and social capital suggest a tangible, geographic basis for institutions, but a potential key to future stability and upward mobility may involve a very different concept of community. Specifically, virtual networks present the possibility of a new type of community quite unlike the physical examples previously discussed in this paper.

In areas where economic mobility is low and community cohesion is broken or nonexistent, social media and networks can serve as a surprisingly effective alternative. The interesting possibility is that virtual networks may well add to the social capital needed for economic mobility in intriguing ways. While most communities are geographically defined, the advent of cheap, accessible technology almost warrants new definitions of community and community institutions.

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51. Thomas G. Cousins, "The Atlanta Model for Reviving Poor Neighborhoods," *The Wall Street Journal*, September 13, 2013, <http://online.wsj.com/news/articles/SB10001424127887324009304579040862988907966> (accessed November 18, 2013).

52. Ibid.

53. Ibid.

54. Ibid.



In his book *Better Together*, Robert Putnam asks this question: “Is virtual community real?”<sup>55</sup> Looking at the social effects of Craigslist, Putnam found that it allowed people to connect with one another on a quite meaningful level even though they may never meet face to face. Users log on to Craigslist.org for knowledge, materials, and support. The network of strangers actually replicates some of the core elements of a tightly knit small-town community in which neighbors would turn to one another to borrow a cup of sugar. Young people use Craigslist to look for roommates when moving to new cities. Parents use the site to find comfort with other parents dealing with the same daily struggles of raising children.

Putnam concludes that such social networks may serve as very real communities by providing all of the positive advantages of a small neighborhood:

[C]raigslist has elements of community to a surprising degree and ... its community nature has a great deal to do with elements that we see in other forms of community: localness, member participation in defining the norms of the group, aims and purposes beyond that of simply being together.<sup>56</sup>

Since the advent of Craigslist, many other social networking sites have developed with similar aims. For example, on Pinterest, one person’s skills or interests can be shared with countless other users and replicated. As opposed to other social networking sites that give play-by-play updates on what users are doing, Pinterest connects users based on interests. In fact, a recent case study indicates that Pinterest creates a more cohesive sense of community than any other social networking site.<sup>57</sup>

Low-income communities struggle to gain access to information that will help them with daily tasks. Pinterest creates a virtual bulletin board full of helpful tips for cooking, cleaning, parenting, saving, and much more. Instead of going to one’s neighbors to ask advice in these categories, users can simply log on and see suggestions from people with their same goals. Whether these goals are to bake a pie or

for their children to turn off the television and read a book, Pinterest creates a networking effect where success can be achieved with a little help from the online community. This virtual model replicates one seen in stable neighborhoods and can be used in places that lack a strong support system for families.

The Family Independence Initiative capitalized on its proven results during face-to-face meetings to create UpTogether, a virtual network program. Instead of working with members of a physical community to help each other with their various problems, UpTogether allows a household to connect with other people all over the country who have similar problems. Individuals simply log on to the website, select a goal that they would like to achieve, and connect to others who have selected similar goals.

UpTogether’s tagline reads “because success is a group effort.” The earlier discussion of the Family Independence Initiative described how its model of building social relationships proved very effective in improving economic circumstances for struggling families in the same neighborhood. For this specific program, the model appears to be applicable to the online world as well. Similar to Craigslist, UpTogether builds social relationships between people who may never meet but who find comfort in common goals. Social capital formation, therefore, is not limited by geography. Common goals, not common location, may often be the key to the social capital formation necessary for economic mobility.

The power and importance of virtual networks is quite familiar to young Americans and those who live in middle-class or upper-income communities. However, the same attributes may have the largely untapped potential to build community in poorer neighborhoods and promote mobility. While successful physical institutions have clearly helped to revitalize broken neighborhoods, new types of communities and their potential to foster the social capital needed for economic mobility may offer additional hope. Virtual networks present endless possibilities for communication among struggling individuals. This new frontier and its capabilities should be explored further as a means of social capital formation.

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55. Putnam and Feldstein, *Better Together*, p. 225.

56. *Ibid.*, p. 240.

57. Gigy, “Indigo: Building Community Through Pinterest,” <http://www.gigy.com/case-studies/indigo/> (accessed November 13, 2013).

## Conclusion

Achieving economic mobility involves strengthening or creating human, social, and financial capital, which are the building blocks for improvement and provide the tools for taking advantage of opportunity. Building up social capital requires collective community action and a recognition of the importance of institutions. As Peter Block writes:

The challenge of community building is this: While visions, plans, and committed top leadership are important, even essential, no clear vision, nor detailed plan, nor committed group leaders have the power to bring this image of the future into existence without a continued involvement and involvement of citizens.<sup>58</sup>

We must therefore address the issue of community revitalization and economic mobility by looking at ways to incentivize and cultivate self-organiza-

tion. Charter schools, religious organizations, housing organizations, and even virtual networks inspire such self-organization and serve as models for the institutions of economic advancement.

The organizations described in this paper share these qualities. They are also examples of the rich tradition of voluntary associations that has characterized America's history. They share the distinction that in pursuing their primary purpose, they begin to engage in other activities that build the broader social capital needed for an environment of opportunity.

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58. Block, *Community*, pp. 78–79.