A Paradigm for Community Development: The Floras’ Community Capitals

One of the fundamental problems with a systems thinking approach to community economic development is the difficulty in being able to “get one’s head around the whole thing”. Thinking holistically by viewing the community as a system may result in one too many balls in the air increasing the odds of one being dropped. To help community scholars and practitioners better understand the puzzle comprising the community system Jan and Nel Flora and their colleagues offered the “Community Capitals” framework. There are seven capitals, or pieces to the puzzle: human, social, political, financial, built, natural and cultural capitals.

Cultural capital: Reflects the way people “know the world” and how to act within it. Cultural capital includes the dynamics of who we know and feel comfortable with, what heritages are valued, collaboration across races, ethnicities, and generations, etc. Cultural capital influences what voices are heard and listened to, which voices have influence in what areas, and how creativity, innovation, and influence emerge and are nurtured. Cultural capital might include ethnic festivals, multi-lingual populations or a strong work ethic.

Natural capital: Those assets that abide in a location, including resources, amenities and natural beauty. As we become wealthier as a society, many economists argue that natural amenities is becoming increasingly important. Indeed, some people and businesses may be willing to forgo higher incomes and profits to consume higher levels of natural amenities.
**Human capital:** The skills and abilities of people, as well as the ability to access outside resources and bodies of knowledge in order to increase understanding and to identify promising practices. Human capital also addresses leadership’s ability to “lead across differences,” to focus on assets, to be inclusive and participatory, and to be proactive in shaping the future of the community or group.

**Social capital:** Reflects the connections among people and organizations or the social glue to make things happen. *Bonding social capital* refers to those close ties that build community cohesion such as ties between members of a common church, or social or business association. *Bridging social capital* involves weak ties that create and maintain bridges among organizations and communities. A community council of ministers that aim to bring different religious groups within the community together is an example of investing in bridging social capital.

**Political capital:** The ability to influence standards, rules, regulations and their enforcement. It reflects access to power and power brokers, such as access to a local office of a member of Congress, access to local, county, state, or tribal government officials, or leverage with a regional company.

**Financial capital:** The financial resources available to invest in community capacity building, to underwrite businesses development, to support civic and social entrepreneurship, and to accumulate wealth for future community development.

**Built capital:** The infrastructure that supports the community, such as telecommunications, industrial parks, mainstreets, water and sewer systems, roads, among others. Built capital is often a focus of community development efforts.

Other types of capital that have been suggested include leadership and entrepreneurial to name just two.