

Reassessing the Decline in Social Capital

In recent years the concept of social capital has generated a great deal of interest among scholars in several fields. A prime force behind this interest is work of Robert D. Putnam, especially Putnam (2000). The concept itself actually dates back much farther in scholarly work (e.g., Coleman and Hoffer, 1987), and typically refers to the connections that individuals form when they create and join social groups, particularly by generating greater trust. These connections are said to allow societies to function better in a variety of ways. Putnam himself argues that social-capital creation is valuable because “a well-connected individual in a poorly connected society is not as productive as a well-connected individual in a well-connected society” (p. 20). His work is particularly interesting because it documents a widespread decline in United States civic engagement, before going on to assert that this decline has substantial negative consequences for American society and to speculate on the causes and consequently the best solutions. To be sure, the claim of such a decrease in associational activity is not universally accepted (e.g, Paxton, 1999). But the sense that something is different with respect to the American tendency to form groups, famed at least since Tocqueville, is nonetheless at large in both the popular culture and the scholarly literature.

The empirical analysis of social capital has relied substantially on the Putnam concept. By looking at cross-sectional national data Knack and Keefer (1997) find that trust, which Putnam believes to be a payoff to greater investment in social connectivity, is negatively related to ethnic differences and positively related to education levels, income levels and uniformity of income distribution. In an experimental setting Glaeser et al. (2000) also find that ethnic uniformity promotes trust. But why individuals might join the groups that Putnam believes to be the wellspring of trust has not been investigated

with sufficient care. This paper attempts to sort out the relative importance of several candidate causes for the decline in social capital, adding to the empirical literature on its decline by using a regression technique appropriate to the data, carefully interpreting the results and then suggesting some policy implications.

Theoretical and empirical fundamentals

The analysis assumes that social capital functions like physical or human capital. It provides a stream of value, which will decline over time absent replenishment, but which can be replenished or enhanced by current-period efforts. It must also be produced out of current resources, notably time and income, at the expense of current consumption. Social capital differs, however, from conventional capital in that it has a public-good component to it. If an individual joins a group, the benefits of that decision redound to other members of the group and perhaps everyone. Indeed, this is the heart of the Putnam argument – that society as a whole benefits when citizens on their own join groups and engage in civic activities. This of course implies a free-riding problem, which worsens as society becomes larger and more complex and as opportunities to choose alternatives increase. Despite this free-riding aspect, which is the one key difference between social and ordinary capital, it will be worthwhile to speak of social-capital formation, depreciation, and investment as these terms are commonly used in discussion of ordinary capital.

While social capital's decline is extensively documented, what is not always appreciated is its relentless continuity. A wide variety of Putnam's measures of social capital peak roughly between the late 1950s and early 1960s, before diminishing without

interruption. The long period of depreciation suggests that the cause too must be contributing continuously throughout that period. This paper investigates the period since the mid-1970s, and so the behavior of the proposed causal variables during that time will be important. The tack taken is to specify the empirical pattern of social capital over the last several decades, to investigate its determinants and then to see which of those determinants can best explain what has happened.

The 1970s

The data used are published by the DDB Worldwide consulting firm, which Putnam himself relies on extensively. For many years they have conducted an annual U.S. lifestyle survey which asks a number of questions asking how many times per year a respondent engages in particular activities, and permitting an answer from zero to seven, with zero indicating never and seven representing over 52 times. To create the dependent variable, I define *SOCCAP* as the sum of the responses to the questions concerning club meetings, participation in community projects, engagement in volunteer work, entertainment at home and attendance at church in the past year. Given the way the constituent variables are defined *SOCCAP* can range from zero to 35.

Figure 1 shows the pattern for the mean value of *SOCCAP* and its components over three periods, 1975-1977, 1985-1987, and 1995-1998. *SOCCAP* appears to be a useful proxy for the phenomenon Putnam tracks, as its behavior closely matches his account of that of social capital generally. There is substantial decline, and the percentage decline is greater between 1975-77 and 1985-87 (15.52 percent, from 10.69 to 8.96) than between 1985-87 and 1995-98 (9.71 percent, from 8.96 to 8.12). In addition,

every component has declined with the notable exception of volunteer work, which rose slightly from 1.24 in 1975-1977 to 1.26 in 1985-1987 before rising more substantially to 1.40 in 1995-1998. To explore why total investment has declined, the following regression is conducted, modeled with some differences, noted below, on the Putnam approach:

$$\begin{aligned} SOCCAP = a_0 INCOME + a_1 EDUC + a_2 TVENTER + a_3 TV + a_4 PREBOOM \\ + a_5 SUBURB + a_6 TOWN + a_7 CHILDREN. \end{aligned} \quad (1)$$

INCOME is annual income. *EDUC* is a numerical scale for the highest level of education completed, with one representing elementary school and six post-graduate education. *PREBOOM* is a dummy variable taking the value one if the respondent was born before the baby boom. *SUBURB* and *TOWN* are dummy variables taking the value one in the 1975-1977 estimation if the respondent lives in the non-central area of an SMA or outside of an SMA respectively. Each of these variables has been previously identified as an important determinant of social-capital formation. One aspect that does not receive as much emphasis is family structure, particularly the number of children. While the early DDB Worldwide surveys did not contain data on a person's marital status, they do contain a variable for the number of children in the household, *CHILDREN*, which for this period is used as the closest available proxy. The predicted effect of marriage and children on social-capital formation is not obvious. Both may create complementarities between social-capital formation and other goals. A parent may enjoy joint consumption of volunteer activities with other family members, for example.

Children and spouses may also lower the cost of social-capital formation, as when parents find opportunities to engage in such activity as a result of their children's group activities. Finally, the presence of other family members may also create the possibility of Becker (1991)-style division of labor within the household.

The 1975-1977 data contain two separate measures of television viewing. *TVENTER* is the response to the statement, "Television is my primary form of entertainment." Answers range from one, "Definitely disagree," to six, "Definitely agree." *TV* represents the number of television shows watched, with answers from one to six (six being open-ended) in varying time ranges. To be consistent with the alternative measure of television time used in the final regression, this figure is converted into units in blocks of thirty minutes. *TV* allows a measure of the marginal effect of one more television program watched, while *TVENTER* measures a higher degree of self-assessment as a heavy television viewer, which is a proxy for the effect of one more person moving from being a light to a heavy viewer of television. As a competing claim on time, new or improved television might prompt substitution of time away from social-capital formation.

The distribution of *SOCCAP* is significantly left-censored. Figure 2 depicts the percentage distribution of ranges of *SOCCAP* for all survey periods. The absence of the left tail of what is otherwise an ordinary distribution is notable, particularly in 1995-1998, which will become important in Section 3. Putnam (2000) does not report specific regression results, instead summarizing them in footnotes. However, the distribution of *SOCCAP* suggests that an estimation of the form of Tobin (1958) rather than ordinary

least squares be used. The results of this Tobit estimation for 1975-1977 are displayed in Table 1.

Education is as always a positive and highly significant predictor of social-capital formation. While *TVENTER* is strongly but negatively correlated, *TV* surprisingly has a significant and positive coefficient. Consistent with Putnam's findings, living in a suburb appears in this sample to be negatively associated with social-capital formation, although it is impossible to say whether that is because of the oft-stipulated lack of contact with neighbors, commuting time or some other reason. Living in a non-SMA yields greater social-capital formation, and living with children under 18 and being born before the end of World War II are positive and significant. With the exception of the finding for *TV*, most of these results are consistent with Putnam's findings. However, the finding for children is novel. It suggests that their presence lowers the cost or raises the private (as opposed to public) value of social-capital formation.

The 1980s and 1990s

In the 1985-1987 and 1995-1998 periods the data set contains two more variables. Rather than using *CHILDREN*, *MARKIDS* is a dummy variable taking the value one if the respondent is married and living with children under 18. *LATEWORK* is a variable again ranging from one to seven that describes how frequently the respondent "stayed late at work." Another significant difference from 1975-1977 is in the way the surveys measured television viewing. In the 1985-1987 data there is no measure for the number of programs watched. In 1995-1998 there is a question concerning the number of "slots," watched per day. To make this measure of *TV* consistent with that used in the 1975-1977

regression the number is multiplied by 1.5, which is the average length, in half-hour units, of half-hour and hour-long television shows. That this is a valid transformation can be seen by comparing the change in these variables over the 1975-1977 and 1995-1998 periods with data available from time-diary studies reported in Robinson and Godbey (1999).¹ The mean of *TV* was 10.20 in 1975-1977 and 13.57 in 1998-1999, a 32.3 percent increase. The time-diary data indicate that the average respondent watched 1 hour, 57.0 minutes of television in 1975-1976 and two hours, 38.7 minutes in 1998-1999, a 35.6 percent increase. It is thus assumed that the transformation of the 1995-1998 data is sufficiently close to the 1975-1977 figure to enable later comparisons between the regressions. The final difference in the estimation involves changed definitions of *TOWN* and *SUBURB*, which correspond to changed definitions of metropolitan areas by the Bureau of the Census. *TOWN* now takes the value one if the respondent lives outside a MSA as redefined by the Bureau of the Census after the 1980 census, and *SUBURB* takes the value one if the respondent lives in an SMA but not in the central portion of it.

The results are shown in Table 2. For 1985-1987, the results are generally similar to those from the 1970s, save that *SUBURB* is now insignificant. *LATEWORK* is in this case insignificant. In the 1995-98 period, all the variables that are significant in the 1980s and 1970s are again significant. In addition, *INCOME* is for the only time significant, with a positive coefficient, and *LATEWORK* is now significant with a positive sign.

Overall, the results confidently demonstrate that education, living outside a metropolitan area, being in a nuclear family and being a member of the pre-baby boom generation are positively associated with social-capital formation. The evidence for

television is not decisive, although the general inference that television over the last quarter-century has been hostile to social-capital formation is probably permissible. The evidence for income and suburban living being determinants is modest at best.

Interpreting the causes of the decline in measured social capital

But which causes loom largest? Again without reporting any detailed regression results, Putnam makes a seat-of-the-pants estimate that “pressures of time and money” (p. 283) are responsible for roughly ten percent of the decline in civic engagement he documents, while suburbanization accounts for ten percent, new entertainment technology (particularly television) twenty-five percent and the replacement of an unusually civically active generation with the baby boomers and their progeny accounting for about fifty percent. This is notable because in his judgment these factors collectively account for almost all the reported decline. He does not specifically attribute any of the decline to changes in family structure. In this section the magnitude of changes in these variables, and hence their plausibility as prime contributors, is discussed.

Television

While Putnam speculates that the introduction of television in the late 1940s contributed to the decline in social capital that began in the 1950s, the question of interest here is whether it has continued to cause a decline throughout the 1970s, 1980s and 1990s. A plausible case can be made that it has. These years were a period of substantial technological change in the delivery of television. The introduction of cable and later satellite television vastly increased the number of program choices available. The

consumption of television, in short, might well have become significantly relatively more attractive than social-capital investment.

The empirical evidence on the consumption of television since the mid-1970s suggests that it could be a significant contributing factor. Time-diary studies summarized in Robinson and Godbey (1999) shows that television viewing has increased significantly since 1975. The mean response time for amount of television watched per day has increased from 1 hour 57 minutes in 1975-1976 to two hours 33 minutes in 1985-1986 and two hours 38 minutes in 1998-1999. Intensive television viewing has increased as well, with the proportion of respondents who report watching more than four hours per day increasing from 9.17 percent in 1975 to 22.7 percent in 1985-1986 to 23.5 percent in 1998-1999. But television is a continuous activity that can be adjusted at the margin in ways that, for example, commuting time or marital status cannot, and so there might be reason to expect that it would therefore have less of an impact on social-capital formation, a point elaborated on in the next section.

Time and money

The "overworked American" (Schor, 1991) is a staple of analysis of the U.S. work force in recent years. But the evidence for this factor is mixed. General Social Survey data indicate that over time the average American has spent more hours working. Between 1972 and 1982 the weighted mean response was 42.89 hours per week. This rose by nearly a full hour to 43.79 hours between 1983-1987 and 43.75 between 1988-1991. The increase continued to 44.63 hours in 1993 before peaking at 45.18 hours in 1996 and falling back to 44.61 hours in 1998. Commuting time contributes marginally to

the increased burden. The average time of journey to work in the 1990 census was 22.4 minutes, up slightly from 21.7 minutes in 1980. The analogous figure for the 2000 census was 25.5 minutes, for an increase (assuming the journey from work increased by the same amount) in twenty years of 7.06 minutes in total commuting time. It should be noted that Putnam contends that ten minutes of total commuting time decreases associational activity by ten percent.

On the other hand, time-diary data show that American free time – i.e., time not spent eating, sleeping or working – has increased over the period of study. One of the primary themes of Robinson and Godbey (1999) is in fact the substantial rise in such free time. While much of that time comes during the retirement years, even daily free time during the working years has increased by five hours a week between 1965 and 1998-1999, albeit much of it in isolated fragments that might be ill-suited to investment in traditional forms of social capital.

Are the time requirements of work a significant contributor to social-capital depreciation? The DDB Worldwide data in fact show no decline or even an increase in activities that one might expect to be sacrificed if pressures of time were becoming more pressing. Figure 3 shows mean responses during the three survey periods for the frequency with which respondents worked on projects under their own direction at home (*SELFPROJ*) or prepared their own breakfast (*PREBREAK*) or dinner (*PREDIN*). The scale is the same as that for the components of *SOCCAP*. In the former case there is little overall movement, and in the latter two there is actually a tendency to engage in these activities more. Assuming preparing meals at home is more time-intensive than the alternative (restaurants, most obviously), this too suggests time pressures are not

substantially to blame. As for income, it is only significant in the last period. In any case, according to Bureau of Economic Analysis data, real gross domestic product grew 3.23 percent annually between 1946-1972, before growth slowed down to 2.84 percent annually between 1973-1984 before rising to 3.45 percent between 1985-1998. That income grew relatively faster between 1985 and 1998 than before, while income was then a positive contributor to social-capital formation, suggests that if anything economic growth ameliorated the decline.

Residency patterns

Suburban living is not a significant predictor of social-capital formation after 1975-1977, so presumably whatever damage it might have done to social-capital formation was done early. However, living in a non-metropolitan area is consistently positively associated, and here there is much to tell. Census data indicate that while 31.4 percent of the population lived outside metropolitan areas in 1970, 25.2 percent did so in 1980, 20.5 percent in 1990 and 19.7 percent in 2000. The Bureau of the Census adopted a changed identification of metropolitan areas after 1980, which explains some of the decline, but this trend, which of course has been going on since the nineteenth century, is nonetheless substantial.

Another posited suspect is mobility generally. If Americans move around from place to place more, they presumably are substantially unable to take their social capital with them. While knowledge of bowling and gardening can be transferred to a new location, the connections intrinsic to a particular bowling league or gardening club must be reestablished at some cost. Greater mobility ought to be associated with a higher

depreciation rate of social capital. The DDB Worldwide data do not have any direct measure of mobility. However, census data indicate that the percentage of Americans who had moved in the previous year was 17.7 percent in 1975-1976 and 18.6 percent in 1985-1986 but only 16.0 percent in 1997-1998. This factor would seem to have contributed little to lower rates of social-capital formation during this period.

Family structure

On the other hand, the change in family structure over the interval of the study is notable. According to census data, married households with children under 18 represented 35.4 percent of all households in 1975 and 25.5 percent in 1995, a substantial change. The number of children born to the average American has not changed nearly as much during the preceding several decades as in other Western nations. According to the World Bank's World Development Indicators data base, the total fertility rate for American women was 1.8 in 1975, 1980 and 1985 before rising to 2.1 in 1990 and 1995 and declining to 2.0 by 1998. Americans are having roughly the same number of children, but they are raising them more and more outside of the nuclear family.

Combined analysis

With television, family, residency and perhaps the passing of prewar generations the most likely candidates thus far, the results from the previous section can be used to parcel out the relative contributions. Between the 1975-1977 and 1995-1998 periods the mean value of *SOCCAP* in the regression data set declined by 2.57 points, or 24.0 percent. Each regression coefficient times the mean value of its associated independent variable

yields that variable's total contribution to the mean of *SOCCAP* for that period. By calculating the change in the mean times the change in the coefficients and taking the resulting figure as a fraction of the total change, one can obtain an estimate of that variable's total contribution to the decline in *SOCCAP*. The procedure is similar to that outlined in Oaxaca (1973). For any of the independent variables define $\Delta_i = (b_i^{95} - b_i^{75})(x_i^{95} - x_i^{75})$ as the total change in the variable's contribution over the two periods, with b_i^t and x_i^t representing the coefficients and the means respectively for the survey period t .

Table 3 depicts for several independent variables the changes in the means, i.e. $(x_i^{95} - x_i^{75})$, as well as the absolute value of each Δ_i and its contribution to the total decline in *SOCCAP* during the entire data period. Variables that are significant in all three regressions are analyzed. Recall that the 1985-1987 and 1995-1998 regressions include an additional variable, *LATEWORK*, but its inclusion has only minor effects on the magnitude, and no effects on the statistical significance, of the coefficients in Table 3. The final row indicates the absolute and relative portion of the decline in *SOCCAP* that is not attributable to changes in the variables presented.

The results provide an interesting contrast to Putnam's estimate. The first thing to note is that the final row indicates quite clearly that a significant portion of the decline in social capital, over two-thirds, remains to be explained. In addition, had American society been the same in every other way, its higher level of education would have raised social capital by 0.27 points, or roughly 10.5 percent. The results also indicate that the contribution of television is less than the Putnam estimate. First, the effect of television can be decomposed into two components, *TV* and *TVENTER*. Because greater viewing

by the average individual contributes positively to social-capital formation in the earlier survey period before taking a negative coefficient, the contribution of *TV* looks especially large using this method. Greater average television viewing has decreased social capital by 30.5 percent in isolation, because of a significant increase in the mean and a sizable change in the coefficient to the negative. However, the effect of *TVENTER* has actually declined, with a modest increase in the mean but a large decline in the coefficient. The sum of the two effects is -0.15 points, or six percent of the total.

The decline in married families with children has contributed precisely zero. However, the reason is because the social-capital return to married families with children has increased by over forty percent even as the percentage of such families (if that is how the mean of the dummy variable *MARKIDS* is interpreted) has declined. Had the percentage of households consisting of married families with children been constant, social capital would have been higher, if the higher mean is multiplied by the 1995-1998 coefficient, by 0.169 points or 6.6 percent. Similar reasoning holds for *TOWN*: living outside metropolitan areas (although not, recall, away from suburbs in particular) is almost 25 percent more productive in social-capital formation even as the American population continues to move away from such settings. Had the percentage of survey respondents remained the same, then using the 1995-1998 coefficients social capital would have been 0.26 points or 10.11 percent higher.

The dominant contributor, by far, is *PREBOOM*, which accounts for over a third of the total decline in *SOCCAP*. This raises the obvious question of whether those born prior to 1945 are fundamentally different in terms of behavior.² Putnam does indeed go to some length to document that much of what has been observed in the last several

decades is in fact purely generational differences in attitudes toward associational activity. In particular, he speculates that the distinctive experiences of pre-boomers during the Depression and World War II contributed to a correspondingly distinctive attitude toward civic engagement. Further evidence for a generational rather than age effect is that the coefficient *PREBOOM* is quite similar in both regressions, despite the age difference over the two periods among these respondents.

Some additional evidence for the nature of the decline can be found in Figure 2. The most striking thing about the diagram is the extent to which the displacement

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contributing little social capital. But the aging and passing of the prewar generations is a discrete effect. Every time someone from that era dies (or perhaps even retires) he takes an unusually large flow of social-capital investment with him, to be replaced by someone with systematically lower contributions. This might well account for the greater number of near-corner solutions seen in Figure 2 over the three survey periods.

If the decline in social capital is largely due to the aging and passing away of an intrinsically more active generation, then (assuming the decline in social capital is seen as a problem that policy should address) this poses a clear difficulty for those in search of a remedy. Putnam himself recommends a number of specific steps to stem what he views as the forces corroding social capital, including among many others tax benefits for employers who adopt family-friendly policies, community-service programs in smaller schools, and urban and regional planning that is more “integrated and pedestrian-friendly” (p. 408).

Evolution of social-capital incentives

But the pessimistic implications of the findings here suggest that caution is warranted with respect to such measures. If the behavior of postwar Americans is fundamentally different for reasons apart from the factors identified here, and if that is a large part of the decline in social capital, then such policies will have little effect. In addition, to subsidize current forms of social capital runs the risk of privileging obsolescence, i.e. subsidizing inferior social-capital forms that, because of their subsidy, are able to fight off the emergence of superior modes. Again, the analogy to physical

capital is apt, as government industrial planning is sometimes said to cause excessive dependence on technologies that should have been rendered obsolete.³

Social-capital formation is like any other creative activity, and the possibilities for combining available resources to create output can also change. The change in the coefficients for a variety of the variables in Tables 1 and 2 strongly suggests such evolution; intensive television viewing is 30 percent less toxic to social-capital formation in 1998 than in 1977, living outside a metropolitan area is roughly a quarter more productive, and so on. People learn to adjust their behavior to take advantage of changed circumstances. But to favor particular techniques for social-capital formation risks, first, being wrong (television or suburbanization may not be the great contributor it has been thought to be) and, second, succumbing to the grandfather fallacy, i.e. favoring that which exists simply because it exists. For example to subsidize, and hence expand, neighborhoods more congenial to traditional forms of social-capital formation over what they might otherwise be could discourage the creation of social capital that is more accommodating to other housing patterns, patterns that people may in great measure adopt in any case. Indeed, the importance of social-capital experimentation and evolution suggests that social-capital measurement is prone to downward bias that will grow worse over time. Almost by definition, those forms researchers seek to measure are those that currently exist. If there is a tendency, as there should be, to substitute away from old and toward new forms as incentives and opportunities change, measuring old forms over time will inevitably show a deterioration in social capital. In that sense, the need to contemporaneously identify emerging forms is an important, if difficult, empirical issue.

Conclusion

It is of course worth emphasizing, as Putnam frequently does, that the decline of U.S. civic engagement is not an all-or-nothing proposition. Many variables contribute in many proportions. However, the extent to which the decline can be parceled out among proposed causes may make a great deal of difference in terms of addressing the problem. The significant amount of the decline in social capital that is so far unexplained combined with the possible error costs inherent in taking particular steps to address particular causes merits a great deal of caution. If it is true that those who lived through the Depression and World War II were for that reason intrinsically and substantially more civically active than those who came after (and perhaps before), then the decline in social capital attributable to their passing gives an exaggerated picture of changes in American behavior. This is all the more reason to tread carefully when diagnosing remedies to a problem that may be the mark of the passing of an anomaly rather than the anomaly itself.

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1. For 1975-1976, the time-diary study used is Time Use in Economic and Social Accounts, 1975-1976, ICPSR 7580. For 1998-1999, it is Family Interaction, Social Capital, and Trends in Time Use (FISCT), 1998-1999: [United States], ICPSR 3191.
2. It is also possible that *PREBOOM* captures the effect of age rather than generational effects. However, when included age and sign too is also significant, while not changing the independent significance of *PREBOOM*, in both 1975-1977 and 1995-1998.
3. As others before them have, Shapiro and Varian (1999) cite the French Minitel information-retrieval system and the European Union's decision to adopt an analog high-definition television standard shortly before the introduction of digital HDTV.

Table 1
1975-1977

<u>Variable</u>	<u>Coefficient</u>
<i>INTERCEPT</i>	7.2322*** (0.4243)
<i>INCOME</i>	-0.0012 (0.0298)
<i>EDUCATION</i>	0.8097*** (0.0736)
<i>TV</i>	0.0800*** (0.0158)
<i>TVENTER</i>	-0.6961*** (0.0464)
<i>PREBOOM</i>	2.3576*** (0.1706)
<i>SUBURB</i>	-0.5492** (0.1786)
<i>TOWN</i>	0.7738*** (0.1846)
<i>CHILDREN</i>	0.6127*** (0.1585)

Log-likelihood: -17405.227

*** denotes statistical significance at the 0.1-percent level.

** denotes statistical significance at the one-percent level.

Figures in parentheses are standard errors.

Table 2

1985-1987, 1995-1998

<u>1985-1987</u>		<u>1995-1998</u>	
<u>Variable</u>	<u>Coefficient</u>	<u>Variable</u>	<u>Coefficient</u>
<i>INTERCEPT</i>	6.0255*** (0.2698)	<i>INTERCEPT</i>	5.2237*** (0.3050)
<i>INCOME</i>	0.0279 (0.0186)	<i>INCOME</i>	0.0610*** (0.0156)
<i>EDUCATION</i>	0.7852*** (0.0484)	<i>EDUCATION</i>	0.7673*** (0.0501)
<i>TVENTER</i>	-0.5049*** (0.0316)	<i>TVENTER</i>	-0.4905*** (0.0358)
<i>PREBOOM</i>	2.0266*** (0.1221)	<i>PREBOOM</i>	2.5531*** (0.1337)
<i>SUBURB</i>	0.1074 (0.1261)	<i>SUBURB</i>	0.1384 (0.1226)
<i>TOWN</i>	1.1262*** (0.1452)	<i>TOWN</i>	0.9557*** (0.1557)
<i>LATEWORK</i>	-0.0413 (0.0267)	<i>LATEWORK</i>	0.0876* (0.0273)
<i>MARKIDS</i>	0.2764* (0.1100)	<i>MARKIDS</i>	0.8797*** (0.1211)
		<i>TV</i>	-0.0525 (0.0086)

Log-likelihood: -32053.98507 Log-likelihood: -27956.8284

*** denotes statistical significance at the 0.1-percent level.

** denotes statistical significance at the one-percent level.

* denotes statistical significance at the ten-percent level.

Figures in parentheses are standard errors.

Table 3

Contributions of independent variables

<u>Variable</u>	<i>Means</i>		<i>Absolute contribution</i>	<i>Percentage of total change</i>
	<u>1975</u>	<u>1995</u>		
<i>TV</i>	10.04	13.57	-0.784	-30.5
<i>TVENTER</i>	3.34	3.49	0.63	24.5
<i>EDUC</i>	2.84	3.11	0.27	10.5
<i>PREBOOM</i>	.72	.31	0.89	-34.6
<i>TOWN</i>	0.27	0.209	-0.01	-0.4
<i>INTER</i>	0.6	0.424	0	0
Other			1.786	69.5

Fig. 1 - The decline of social capital.

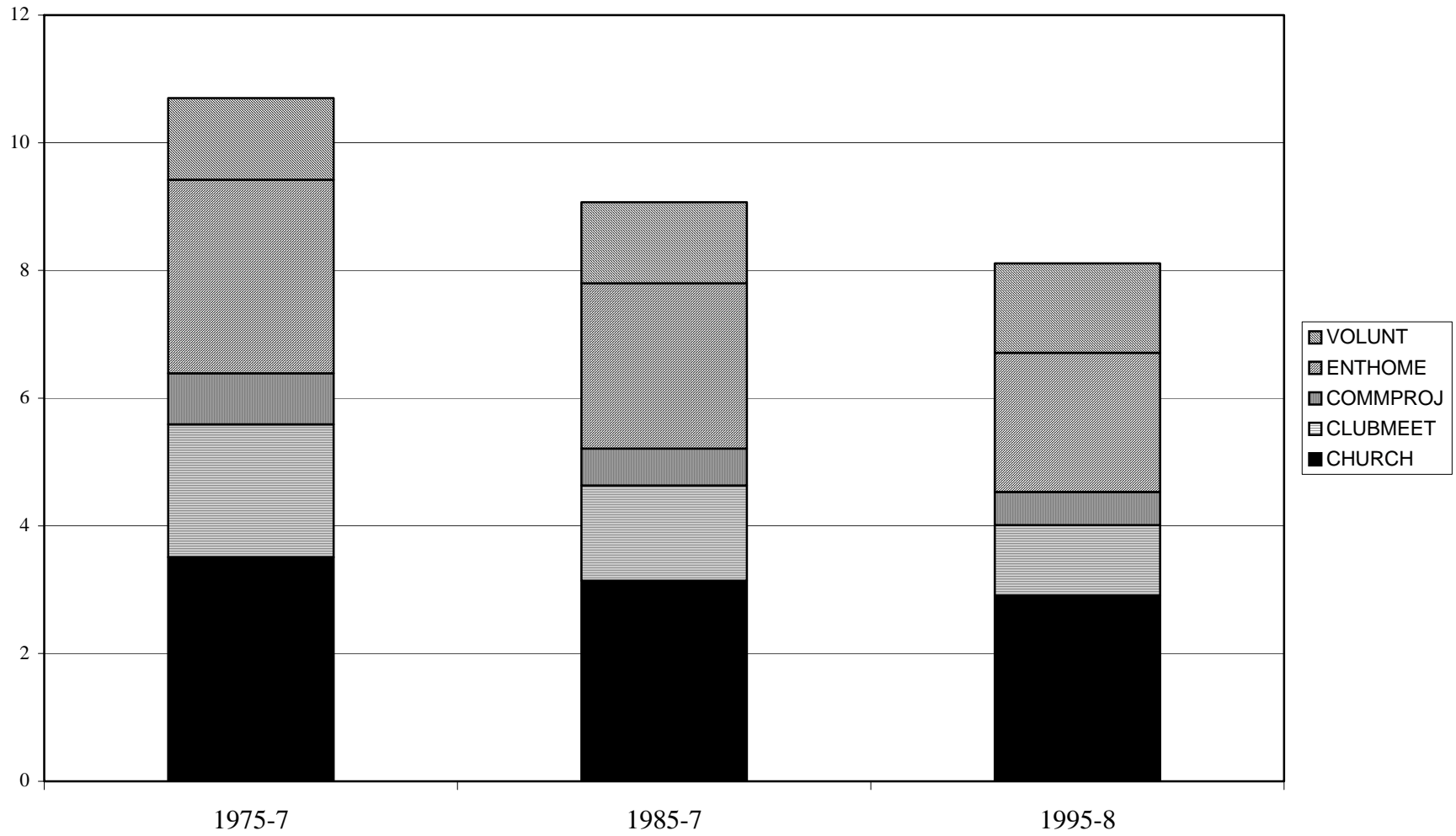


Fig. 2 - Percentage frequency distribution, SOCCAP.

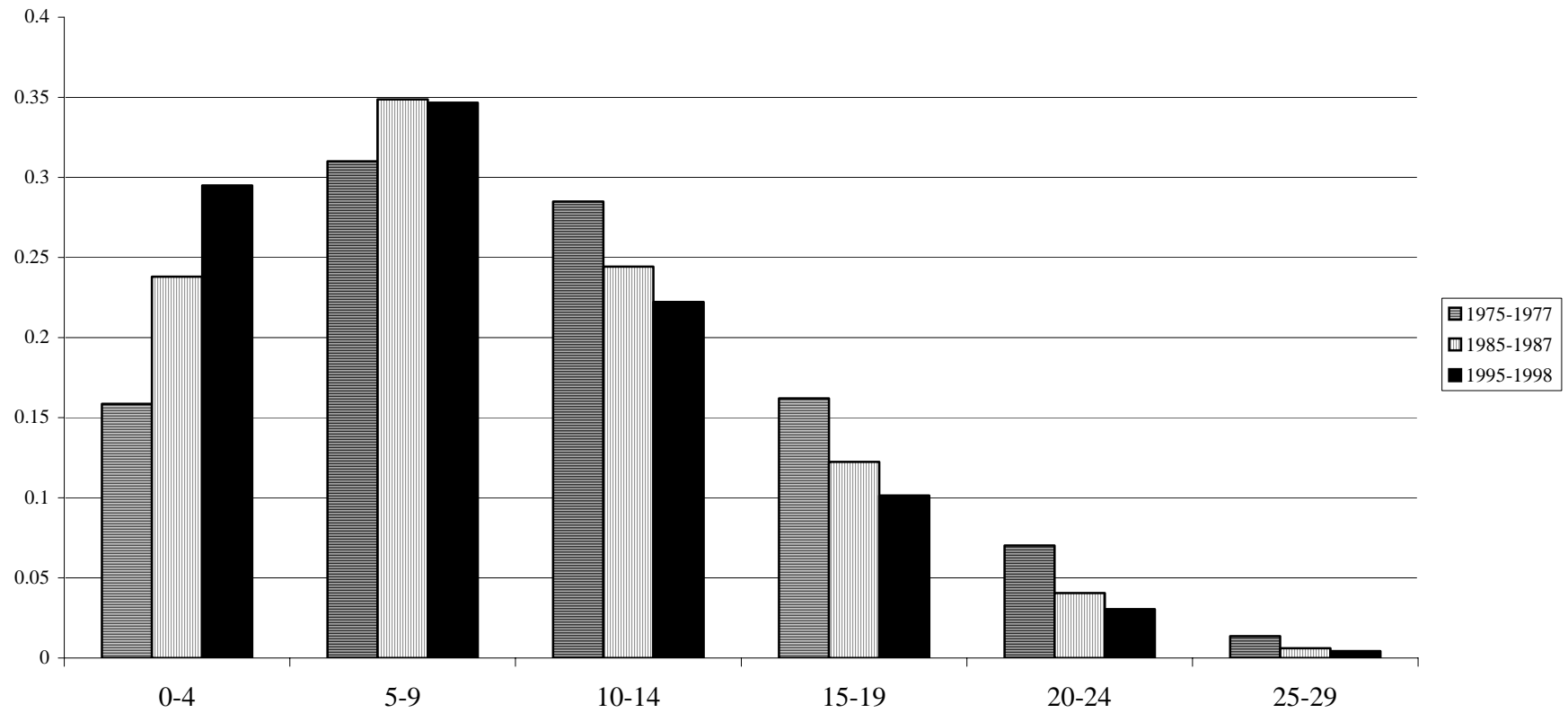


Fig. 3 - Changes in other time-intensive activities.

