

Real Estate Grows Against The Backdrop of a Changing Culture

IT HAS BEEN quite a half century for real estate and the United States as a whole. The nation has experienced massive changes over this historic period of time.

According to Forum columnist Nina Gruen, principal sociologist, Gruen, Gruen & Associates of San Francisco, the past five decades can be divided roughly into four major development epochs: the post-World War II Recovery (1946-1960); the Cultural Revolution of the 1960s, which extends to the post-Vietnam era (1961-1975); the onset of the information age, and economic growth fueled by deficit financing (1976-1985); and industry restructuring within a global economy (1986-present).

"The first of these eras swept in a dramatic change in the country's settlement patterns," Ms. Gruen says. "These changes were solidified and made more diverse by the accompanying changes in land use in the subsequent three epochs. During each period, the economic and societal changes interacted with the evolution in makeup and location of land uses reinforcing each other.

"This has altered the physical and social shape of the United States so significantly," Ms. Gruen concludes, "that, had Rip Van Winkle fallen asleep in 1946 and reawakened to find himself in 1996, he would have had trouble identifying where he was."

A MATRIX OF SOCIETAL AND LAND-USE CHANGES (1946-1996)

Era	Defining Land Use	The Evolution in Land Use Patterns	Governmental Catalysts	Economic and Social Catalysts	Demographic Catalysts
Post-World War II (1946-1960)	Tract housing	From dominant center city to a multi-nucleated region.	Federal highway program; federal sewer, water & planning grants. Public is pro-development.	Women encouraged to stay home and raise families to permit reintegration of GIs in job market.	70% of all U.S. households: husband employed, wife at home taking care of at least one child.
Vietnam & Cultural Revolution (1961-1975)	Shopping centers	Retail follows population to suburban locations.	Urban Renewal seeks to resist suburbanization trends. Local communities offer inducements to encourage employment and tax-base-generating users.	Increasing household income. Growing consumerism. Greater reliance on the automobile.	Baby boomers become a notable bulge in the demographic snake, affecting public institutions and the demand for retail goods.
Information Age and Deficit-Financed Growth (1976-1985)	Flex-tech space	Horizontal office and industrial R&D expand to suburbs, creating competing activity centers.	Local tax incentives such as revenue bonds. The no-growthers and the environmental movement emerge.	Post-industrial revolution, advent of information age. Household income stagnates.	Women enter the labor force. Increase in non-family households. Start of largest immigration wave since early part of the century.
Global Economic Competition (1986-1996)	Mixed-use projects	Integration of uses in order to build on competitive economic and market strengths.	No dominant pattern. Some communities support the creation of mixed-use developments with local incentives, while others create constraints.	The need to survive in the global economy. Income polarizes and the middle class shrinks.	Family households with working father and stay-at-home mother now account for only 10% of all households. Both workplace and market place defined by diversity.

Source: Gruen Gruen & Associates