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THE 2002 NATIONAL CED SYMPOSIUM: SETTING ECONOMIC POLICY TO ACHIEVE SOCIAL GOALS

SYNTHESIS PLENARY

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OVERVIEW

The Symposium's last component was moderated by Michael Swack, Director of the School of Community Economic Development, Southern New Hampshire University. Two participants, Rebecca Seib, First Nations Development Institute, and Ray Neirinckx, State of Rhode Island Housing Resources Commission, respectively present and former students at the School of CED, set the stage with personal reflections on the content they had heard until then. They were followed by two panelists, Catherine Rielly, a member of the School's faculty, and Bill Ninacs, Coopérative de consultation en développement La Clé, who attempted a synthesis of the major themes of discussion and perceived issues as well as areas of contention from the previous days' presentations and discussions. The floor was then opened for discussion. What follows is a summary of the principal issues and themes considered.

TENSIONS IN DEFINING CED

A recurring theme throughout the Symposium was the lack of a definition of community economic development that everyone could agree upon.

The cases studied, for example, were chosen because of their focus on both social and economic objectives. Since they are not necessarily models of best practice nor even regarded as examples of CED practice by all, their presentations sparked debates on a number of issues. For example, is the community in CED territorial or sociological? Based on a number of presentations, notably Stewart Perry's and Cornelia Flora's, place cannot be disregarded but the concept of community also encompasses other dimensions such as identity and interest.

Similarly, is CED a process or a set of specific values or both? Is CED about setting up organizations that can bring together players in a community to plan and do the mapping and other development tasks, or does it relate to the initiatives that provide the required services and create the missing jobs?

Everyone seemed to agree that probing these questions is crucial to understanding what CED is about.

What is the context for CED and how does it affect the choice of strategies? Contextual issues influence the way CED is perceived and put into practice: for example, socioeconomic context often means that poverty is at the heart of CED but CED cannot be relegated to poverty management. Moreover, the best way of getting out of poverty is accumulating wealth and not just increasing revenue. CED must lead the way here.

Some participants believe that CED must go even further for, no matter how CED is defined, it is more important that CED be part of a movement for social change. For example, a worker coop may not be “doing CED” but it can nevertheless part of a movement to change the way businesses operate and are structured.

LEADERSHIP AND RESOURCES

One common thread in the case studies was the community action component. Each community (as it was defined) identified the issue that it wanted to address and set about doing it. However, although the community knew what it wanted, it took someone to take the lead and pull it together. “Just do it” is often stated, but just doing it takes leadership, capacity and capital.

Capacity includes the organizational and technical expertise to pull the community together, to network with other organizations and to instill a common purposes as well as the ability to organize capital in such a way that it will be sufficient to get things done. As demonstrated in the Market Creek Plaza, ChildSpace and Mobile Home cases, things can be accomplished even if when some of these elements are missing in the beginning of the project. However, as demonstrated in the Tierra Alta Fuels Project, mistakes are also likely to occur if capacity continues to be lacking. Generally, each of the various forms of capital (human, social, natural, financial, political and cultural) must be in place prior to a project’s beginning and developed along

the way. In order to measure the success of a CED project, capital must be tracked throughout the process and measured so that others learn how it was done.

Capacity also entails ensuring a strategic focus to the work to be done. For example, a good portion of the Symposium focused on asset accumulation. But in order to accumulate assets, there must be a solid strategy built upon controlling, leveraging, increasing, maintaining and utilizing a variety of resources. Putting these types of plans in place is what CED work is all about.

Ray Neirinckx pointed out that CED initiatives need to be examined from at least five perspectives: project, program, policy, strategy, movement. Indeed, some of the cases showed a lack of strategy and movement. Conversely, Working Capital, as a forerunner of the community development financial institution (CDFI) movement, was very strategic and actually created a legacy, but this was not tied into the case study. Organizations have life cycles just like people do. There is nothing wrong with an organization dying: celebrate the life and recognize the legacy, the contributions, not just the failures

Overall, information technology (IT) was completely lacking in the case studies. There was no mention that IT could have had a more transformative role. For example, mapping of where the mobile home parks are located in New Hampshire could have helped develop landscaping coops or other businesses to serve them. Similarly, Childspace could have used IT to map the links of their three coop sites to the neighborhood, Working Capital to evaluate and market the program (not for replication but for lessons learned), Market Creek to map the position of the plaza in the community to see how it could influence development in the neighborhood, and CODC, where asset mapping might have addressed some of the concerns. IT will need to be more and more integrated in our work.

EVALUATING IMPACT

Who controls the community planning process? How and by whom is social capital produced? Indeed, the process of producing social capital is inherently influenced by the ideological bias of its creators. What results are we looking for when we talk about control over economic resources — a key component of CED? What does individual and collective fulfillment mean — often seen as a goal of CED? As illustrated during the discussions on whether to emphasize individual or collective asset building and empowerment, we have only begun to scratch the surface in our attempts to answer these questions.

This theme was illustrated by concerns expressed regarding using the Alaskan Pipeline Employee Stock Ownership Program (ESOP) as an example of capital ownership. As explained by Rebecca Seb, tribal enterprise development has been used in Native American communities for the last twenty years or so, with funds from community-owned tribal enterprises generally expended in one of two ways, infrastructure development or per capita payments, or a combination of the two. Throughout communities, including those benefiting from the Alaskan pipeline distribution fund to Native communities, the system of per capita distribution has encouraged consumerism. Unfortunately, the emphasis has been on spending on luxury items as opposed to fulfilling needs, or small business development or reinvestment in the local economy. In the Alaska case, it is the purchase of four-wheelers, snowmobiles, fishing boats and things of this nature, not because they are required for subsistence activities but rather because the individuals just want new ones. In the development of new forms of business structures and community-owned businesses, a hard look at how they are going to affect the community that will own them really needs to be taken.

Similarly, economically focused projects don't necessarily deliver the social goals they were designed to do. You have to look at who the exact beneficiaries are. For example, the Grameen bank is akin to a gold standard of micro-enterprise development best practice, but, according to Catherine

Rielly, research has found that Grameen bank loans have increased the amount of violence within households and have not had an effect on the social status of women. Mission drift is part of the problem but so is the fact that men are taking the money that women borrow and demanding that women come up with money to pay it back, creating tensions and violence, which wasn't expected at all. We can learn from problems as well as from successes.

Another example in the same vein relates to the cooperative movement. Its history shows that even though an institution pursuing multiple goals can become strong on one level, it can lose force on another. The tension between ends and means doesn't end with financial success, and so when looking at economics, don't forget participatory values.

THEORY

Why is an emphasis on theory important? Certainly not for theory's sake: in the context of CED, theory needs to be practical. Empowerment and citizenship have to be the mainstays of society: understanding their theoretical foundations is needed to improve practice.

At least one participant believed that the social theories panel did not talk about social theories per se but rather about economic theories of social behavior. This reflects economic imperialism in the social sciences and imposes limitations on how we speak and understand. Economic theories place us in a box and this box can be very limiting in some subject areas. We need to be careful of using solely economic terms for our discourse and we should not limit ourselves to economic theories but use others as well.

Another participant was also concerned with the language and terminology used, believing that not seeing communities as people or viewing CED as an industry can result in detachment from constituencies. Universities are bases of support, and instigating the research arm helps understand what has meaning on the ground. However, CED must evolve from the community and not become an academic exercise.

As was often stated, CED practitioners know how things can be done right, but they need to get the word out. Measuring the process of development is key to designing the message and telling the story. There is a need for better communications within the field and to the larger society, especially since it is the story that influences public opinion — and therefore policymakers — much more than theory.

Underlying gender and racial issues were not very present during the Symposium. Participants were reminded that theory building in CED needs to take these into account.

RURAL DEVELOPMENT

For some, one of the disappointments with the Symposium was the lack of good presentations on rural issues. For example, one element not mentioned in the Tierra Alta Fuels project was that the sawdust used for manufacturing the fuel pellets was obtained from a forest on the Mescalero Apache Reservation, managed according to sustainable development standards. The First Nations Development Institute provided funding for them to become certified as a sustainable forest. This is a key element in rural economic development: maintenance of the environment.

Indeed, the general emphasis of the Symposium was on urban issues. It did not take into consideration the plight of the small farmer, the migrant worker or the degradation of the environment. Communities such as Alaskan villages do not live on a cash economy. They do not have jobs. The only jobs available are government jobs whether it's at the village, state or federal level. The money obtained is given to the local village grocery store and drawn down as needed. Cash is not a ready commodity in these remote areas. They have no ATMs. They have no banks. They have no relationships with any type of cash economy. But they are doing CED projects. They are improving their economies through maintenance and cleanup of their environments. They are planting small gardens to supplement their incomes and to be able to eat healthy foods and improve their diets. They are addressing the enhancement of human, social, natural

and cultural capital as they improve the quality of their lives. They are adjusting public school curriculum that better includes their culture and traditional teachings so that children can understand today's money market economy.

Many Americans argue that culturally distinct communities must assimilate into the dominant society, take up the values of the American system and leave behind those values that were passed to them from generation to generation. For some participants, culture plays a key role in the development and success of CED projects and CED must thus emphasize that holding on to a community's traditional values and culture can be vital to achieving social goals and fostering the respect of economic rights.

As theories on economic issues are developed in CED, we must not forget the rural and the most remote areas of our vast country. A universal approach to CED has to ensure that circumstances outside the United States' urban situation must included and taken into consideration. In other words, as Rebecca Seib concluded, there must be a bridge between democracy, capitalism and the larger world where basic human economic rights are not enjoyed.

ROLE OF UNIVERSITIES

A number of comments built upon Gar Alperovitz's claim that, following the decline of the labor movement and the weakening of social democracy, the university is the only institution left that can increase the possibilities of a transformative shift over the next three decades. He was not talking about all the important work that's done in communities but rather about recognizing that the university is one of the few places in which there are sufficient resources to enable people and ideas to be developed and leveraged.

Many participants saw the role of the university as fostering collaboration among practitioners, policymakers and academics to ensure that they educate each other and benefit from their respective practices. You have to

make the links to better serve target populations, to invite the government people and funders to meetings like this in order to educate them, and to improve the training for the practitioners allowing them to understand how the political system works. Indeed, we should be bringing in not just government players but for-profit and international players. Break down our isolation, learn from and seek collaboration from all the rest of the world.

Some participants felt that the School of CED had taken a major leap forward with the Symposium, bringing together faculty members from other schools in the university as well as from other universities across the country, from Canada and from Europe. However, as one SNHU faculty member put it, the School of CED may be value driven action oriented, and its graduates have been elected to political office, but the role that it can play politically remains unclear.

What a privilege it is for a practitioner to stop and think, to pause in the exercise of our practice and reflect on what is available in the theory, in policy, in society, in our political history. So many presentations provided a vision for where we have to go. We have to continue by finding people that think people are important. IF we can do that, we will move to a broader conception of CED. We do have to think further about it.