

CFPC Publications

Disinvested Communities and Comprehensive Services: Linking Family, Community, and Economic Development

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by Charles Bruner

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One of the key issues facing reform efforts to develop more comprehensive and community-based systems to improve outcomes for children and families is that of place.

Families and children living within disinvested neighborhoods and communities face economic and environmental barriers that extend beyond individual service response and demand community-wide rebuilding. Family, community, and economic development efforts must be linked for families and children to succeed.

The following represent two efforts to define the issues involved in developing effective rebuilding strategies in such disinvested communities.

The first effort discusses these issues in the context of federal Empowerment Zones, providing a scenario of a "NotSoEZ" zone to illustrate the issues involved, raising questions the scenario raises, and suggesting the foundation upon which zones must build to succeed.

The second, part of the author's correspondence with Doug Nelson at the Annie E. Casey Foundation, presents an argument for investing in disinvested communities, based upon five themes. It raises critical unanswered questions that should be addressed in developing strategies for rebuilding.

The Child and Family Policy Center currently is exploring some of these questions and seeking assistance from experts and practitioners in the field in identifying the best, proximate answers that are available. The Center welcomes comments and insights on these papers, as well as recommendations of resources that can shed additional light on these issues.

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How Can Empowerment Zones Succeed?

The Case of the "NotSoEZ" Community

Charles Bruner, Child and Family Policy Center, March 28, 1994 draft

The following case scenario seeks to link economic development and service strategies within a mythical empowerment zone, NotSoEZ. It suggests that the SSBG funds may, in fact, be sufficient to bring preventive and developmental services "to scale" within the zone, but this will not in itself create the jobs that residents need. Strategies to create the needed jobs for community economic vitality require commitments to converting existing public sector jobs and building EZs into the overall development plans for the larger metropolitan community.

Introduction

The following are some thoughts on the potential for success for community regeneration for a community selected as an Empowerment Zone (EZ) and therefore eligible to receive \$ 100 million in social service block grant (SSBG) funds in addition to the tax credits and increased federal waiver flexibility. It uses a mythical EZ within a larger metropolitan community. It then constructs demographics for the EZ that generally could be expected to reflect the conditions within such distressed neighborhoods, in order to place the strategies that are developed within an overall fiscal context.

For purposes of this discussion, the community is "NotSoEZ" and its empowerment zone is comprised of 50,000 residents in fifteen census tracts, all qualifying under EZ guidelines, with an overall poverty rate of 35 %.

NotSoEZ Initial Resource and Need Mapping

Given these parameters, NotSoEZ concluded that success in community regeneration ultimately must be measured by whether there are substantially more employed NotSoEZ residents (many at family-sustaining wages) than there are currently and that the economic characteristics of NotSoEZ approach those for the remainder of the metropolitan area.

As NotSoEZ started its process, it looked at its residents and found the following challenges:

- o each year there are 800 births to high risk families (adolescent parents, single parents, or parents without employment of high school completion).
- o there were 5,000 males 18-35 who are not in the labor force or seriously underemployed.
- o there were 2,500 families with children under six headed by a single parent and either adolescent, unemployed, or living in poverty.
- o there were 2,000 families with children age six to eighteen (and no younger children) in similar situations, without any support systems they could count on in an emergency.
- o there were 1,000 new school dropouts of 14-17 year-olds each year.

Further, NotSoEZ calculated that to move three-quarters of the way toward the employment picture found in the remainder of the metropolitan area would require that 6,000 currently unemployed NotSoEZ residents secure full-time employment. In addition, of these jobs, roughly 2,000 jobs would need to be in the \$ 5-8 an hour range, 2,000 in the \$ 9-16 an hour range, and 2,000 in the \$ 17+ an hour range.

How can the employment picture for NotSoEZ residents be changed this dramatically? NotSoEZ gave this considerable thought and adopted the following strategy. NotSoEZ looked first at what reasonable expectations might be placed on the SSBG funds to develop a more employable labor pool. NotSoEZ then looked at the implications for jobs becoming available for this pool and developed strategies to create them.

NotSoEZ's SSBG Fund Strategy

NotSoEZ looked at the current services it provided to NotSoEZ residents and recognized that its human services seldom were available to families before they fell into crisis. It believed that preventive, comprehensive, and community-based approaches that empower families were vital to establishing the conditions needed for families and for youth to succeed in educational, job training, and job placement activities.

The service strategy for SSBG funds that NotSoEZ selected sought to assure that families and youth could take advantage of the human capital development programs and resources (schools, job training programs, community colleges, etc.) already available and arrive at adulthood prepared with the skills and the work habits needed for employment, although many still were not likely to be credentialed. Therefore, NotSoEZ chose to deploy its SSBG funds (\$ 10 million a year over 10 years) for support services that were neighborhood-based and that worked comprehensively with families and youth -- ones that reflected the best thinking of what is known about effective service approaches.

NotSoEZ recognized that some support services of this nature existed within the community and served some families, but certainly not all of those identified as vulnerable. As best as it could, NotSoEZ made the following estimates of families and

youth who should receive such supports and the number currently being reached by such supports in any comprehensive fashion:

800 families with newborns, 200 already served = 600 gap
5,000 young unemployed men, 1,000 served = 4000 gap
2,500 families with young children, 1000 served = 1,500 gap
2,000 families with older children, 500 served = 1,500 gap
1,000 high school dropouts, 300 served = 700 gap

Remarkably, NotSoEZ found that most developmental services for each of these groups cost about \$ 2000 annually per youth or family. NotSoEZ therefore believed that it could serve 60 % of these families and youth (5000 of 8300), probably as many as it could enlist. NotSoEZ concluded that the SSBG funds would allow it to approach "scale" with its new service strategy, embodied in family centers, youth development programs, and community centers.

As a result, NotSoEZ believed that the capacity of the adults in its community to secure employment would be greatly improved, provided there were jobs available. While this work would not produce all the needed credentialing for many of the jobs to which adults might aspire (and some had prior juvenile and adult criminal records that make securing employment difficult), an increased core of 6,000 would have the motivation, skills, and support systems to move into productive, long-term employment.

NotSoEZ's Job Creation Strategy

As NotSoEZ developed its service strategy, it also felt it had to develop a corresponding job development strategy. NotSoEZ knew that its residents would not succeed simply with greater skills and work readiness; they needed productive employment. Since NotSoEZ had wisely drawn upon its own residents to constitute staff for most of its SSBG activities, the \$ 10 million annually of SSBG funds would create 150 jobs for NotSoEZ community residents. That, however, still left NotSoEZ 5,850 jobs short.

NotSoEZ believed that these jobs must come from one of the following sources:

- o other jobs in the public sector, particularly those that serve residents of the NotSoEZ community,
- o new businesses rising from within NotSoEZ as a result of "Mom and Pop" venture capital activities, micro-enterprise development, community cooperatives, employee stock ownership programs, and other "nontraditional" economic development activities.
- o jobs that naturally would occur as a result of other increased activity ("multiplier effect" jobs such as child care and transportation services and retail establishments created by greater community wealth).
- o jobs from the larger private sector's growth and development.

NotSoEZ committed to moving more public services into the community, with an

aggressive policy of employing staff for those services from among NotSoEZ. NotSoEZ found that its residents consumed over \$ 60 million in public human services (health care providers, protective service workers, mental health counselors, juvenile probation officers, foster care workers, nursing home employees) and over \$ 40 million in education expenditures. Virtually all of those employed in these services, however, did not reside within NotSoEZ. While NotSoEZ knew it had to struggle with licensing and credentialing issues, unions and trades, and also knew that public sector jobs were not expanding and this meant taking jobs from others, it still believed that this was a needed strategy. It believed this effort could produce 1,000 of the jobs its residents needed.

NotSoEZ desperately wanted to create new jobs and businesses within its community, but it was realistic enough to know that its likelihood of significantly increasing an employment base through this means was slight and, even with aggressive use of the community reinvestment act and the tax credits and options available for EZs, it could count on no more than 850 such jobs. The "multiplier effect" jobs might also be counted in this area, but also would contribute 1500 more jobs.

This still left NotSoEZ 2500 jobs short. If these were to come to NotSoEZ residents, it would mean that NotSoEZ residents would need to displace current workers or capture jobs in those job growth areas within the larger metropolitan economy. Many NotSoEZ residents were skeptical that the opportunity for jobs would magically transfer from the suburbs to the inner city just because NotSoEZ had been created. They even had words for the current job structure in the metropolitan area, "institutional racism."

NotSoEZ, however, knew that the leaders of the business community within the metropolitan area (business and corporate leaders committed to growth, developers, and financial institutions -- the community economic elite) had a plan for job growth and creation that, by the year 2005, increased metropolitan employment by 12,000 jobs. At the same time, NotSoEZ saw little to connect this plan with its own efforts. Moreover, tax and wage credits did not seem to play a very prominent part in the business community's plan development.

After a series of agonizing, but frank, discussions with the business community leadership, NotSoEZ better recognized the business community's "bottom line" and the business community leaders knew more about NotSoEZ and had better respect for its leaders. There was still a huge gap between what NotSoEZ wanted and what the business community leaders thought NotSoEZ residents could provide, but the business community leaders recognized that there were seeds of opportunity and that the consequences of failing to regenerate NotSoEZ had larger consequences to the entire metropolitan area. The big concern for the business community was that the NotSoEZ workers couldn't "cut it" in the mainstream workforce and wouldn't be dependable -- but NotSoEZ convinced leaders that its SSBG efforts were directed to this issue. Moreover, NotSoEZ agreed that it would serve to screen the workforce and provide employee assistance services, as needed. In recognition, the business community agreed to use wage credits to this end. Both groups agreed to start and build as they went, working through the problems as they arose. NotSoEZ Case Scenario Discussion Questions

General

1. Reality check -- Do the NotSoEZ demographics reasonably reflect the conditions that one could expect to find within qualifying EZs?
2. Is the effort to focus upon two issues as fundamental to success (developing the pre-conditions for employment through family/community support strategies and developing jobs for those with the pre-conditions) a sound one? What about social and physical capital?

SSBG funding

3. Was the NotSoEZ service strategy fundamentally sound -- e.g. to build the pre-conditions for employment through family/community support services (e.g. family centers, settlement houses, youth development programs, etc.)?
4. Are the SSBG funds likely to be enough to gain sufficient penetration that community-wide impacts can be expected?
5. What are the realistic expectations for what this strategy can and cannot do? How much "healing" is likely to be needed for the NotSoEZ resident population as a prelude for successful participation in the workforce?
6. What about addressing other pre-conditions, e.g. child care, transportation, housing? To what extent are these likely to sort themselves out if the readiness--jobs emphasis in NotSoEZ is successful and to what extent do they need to be addressed within NotSoEZ's strategy?
7. What about addressing other professional services, e.g. job training and apprenticeships, substance abuse treatment, micro-enterprise development assistance/financing? To what extent can existing, potentially restructured, resources do the job and to what extent are more of these services needed?

Jobs Issues

8. What technical assistance/management skill development is needed to effectively use community residents in the SSBG-funded services and what needs to be done to make this strategy do what it is supposed to do on a large scale?
9. What are all the issues of moving other public services to the community (credentialling, developing community management capacity, etc.) and what will be needed to address them?
10. How many jobs realistically can be created at the community level, and how well does the SSBG strategy and ancillary supports connect to creating the workforce for these

jobs?

11. What are the logical strategies for constructing jobs from within through "mom and pop" venture capital, entrepreneurial training, micro-enterprise development, community cooperatives, and the like?

12. What are the reasonable job expectations for residents of the community with such activities and efforts and what "job gap" does this leave that must be filled by metropolitan-wide growth activities?

13. How can this "job gap" be filled, assuming that jobs are not likely to be taken away from the current metropolitan middle-class? What role will wage credits and tax advantages likely play?

14. How necessary is that dialogue between NotSoEZ and the metropolitan economic elite for NotSoEZ economic regeneration? What has to come from that dialogue, and what expectations can realistically be placed on the metropolitan economic elite?

15. How should issues of mobility of residents finding employment and moving out of the EZ be addressed; or of residents finding jobs outside the EZ, but only contingent upon receiving EZ incentives for employment?

Management and Governance Issues

16. What leadership and management capacity needs to exist/to be developed at the neighborhood level in order for NotSoEZ to develop a successful plan? To implement that plan?

17. What infrastructure, technical assistance, and other supports are needed? Under what structures are they best developed? How does one deal with needed transfers of political and economic power?

18. What leadership and management capacity needs to exist/to be developed at the metropolitan level in order for NotSoEZ to develop a successful plan? To implement that plan?

19. What infrastructure, technical assistance, and other supports are needed. Under what structures are they best developed? How does one deal with needed transfers of political and economic power? EZ/EC Applications --

Questions to Raise

Memo to Doug Nelson, Annie E. Casey Foundation, from Charles Bruner -- July 5, 1994

The following are a series of questions I would ask myself if I were reviewing the EZ/EC applications. In most instances, answering these questions would require reading between the lines. They stress more the predispositions of the EZ/EC applicant than any specific evidence/information/strategy that might be posed within the application. This reflects a belief that even very good initial concrete strategies and commitments will not sustain EZ/EC activities unless there is the capacity to adapt and grow based upon an initial vision that extends beyond the EZ/EC as a localized project. While there probably are other core questions, I believe that the ones enumerated below are ones that must be addressed in the affirmative if the EZ/EC is to go beyond an add-on, project status to be a serious, comprehensive effort to regenerate distressed and disinvested neighborhoods.

1. Vision. Is there evidence that this EZ/EC application is seen as more than an opportunity to secure what additional resources may come the EZ/EC's way through its designation, e.g. as a systems change and resource redeployment agenda? Is there consequent evidence that existing resources being deployed within the EZ/EC are truly "on the table" for review and potential redeployment, redirection?
2. People. Is there a well-positioned (sufficient access to needed city, county, and state policy makers) core group of three to seven individuals with the commitment and drive to make the EZ/EC succeed? Will these individuals be provided sufficient time and resources to manage and direct the effort? Do these individuals "feel it in their bones?" Are the policy makers from whom they must be provided the appropriate political muscle putting themselves on the political line over the EZ/EC?
3. Politics. Does the application recognize the public and private commitments that will be needed from interests outside the EZ/EC for work within the EZ/EC to succeed? Does it recognize that maintaining these commitments will require marketing, negotiation, public education, and mobilization?
4. Zone Capacity. Does the EZ/EC have some structural integrity as a set of neighborhoods? Is there evidence of a strategy to build capacity within the neighborhood to share in the decision-making, service delivery, and responsibility for neighborhood rebuilding? Are existing identified local leaders regarded as: representative and legitimate within their neighborhoods, flexible and responsive to change, willing to help create diverse new leaders within the neighborhood, and able to balance roles between articulating neighborhood needs and working with community policy makers and leaders?
5. Strategy. Does the application recognize the interconnection between economic revitalization through employment (job creation) and readiness to work (social services)? Are other public services expended on residents in the EZ/EC on the table for redeployment and potential use in creation employment for zone residents?
6. Openness to Change. Does the application suggest an eagerness to experiment, adapt, and innovate? Are those who will manage the work capable of drawing from the best available evidence and thought in continually revising their strategies? Is there a process

that truly captures the best thinking and evidence from the frontline, neighborhood level and includes that as a vital, but not determining, part of the decision making process?
September 6, 1994

To: Doug Nelson, Annie E. Casey Foundation
From: Charles Bruner, Child and Family Policy Center
Themes: Improving child outcomes in disinvested communities

The following are five themes that I believe deserve to be woven into an overview analysis describing a strategy for improving child outcomes in disinvested communities. As usual, I have been fairly long-winded in outlining a number of points under each of these themes.

While much of this is familiar to you (and repetitive of other work), I would call your attention to the following points which I believe are both new and essential:

- o the importance of reflecting on the "fabric of community" (associational groups and connections) and developing a strategy for its construction in disinvested communities that goes beyond provision by surrogate/intermediary,
- o the need to define surrogate/intermediary roles as transitional ones, and the implications this has for the construction of neighborhood-based organizations, and
- o the implications to philanthropy to adopting a strategy that agrees to "do what it takes" to succeed.

I also am attaching a list of "holes" in this analysis that need to be patched if the goal is to have a credible, systemic document that draws its base from current research and practice.

Strategies For Reconstructing Community in Disinvested Urban Neighborhoods

I. Disinvested neighborhoods can regenerate.

A. The current situation. According to the 1994 national Kids Count Data Book, 6 % of all children in the United States live in census tracts characterized by severe economic and social distress. These children are at substantially greater risk than their peers of experiencing poor outcomes across a variety of dimensions of well-being. Their neighborhoods are characterized by persistent poverty and unemployment, violence and poor health. The social fabric is threadbare, at best. While some children from these neighborhoods will succeed and excel, they do so despite the odds.

While a small portion of all children reside in these disinvested neighborhoods, they strain state, federal, and local public resources for public and child welfare, compensatory and remedial education, and juvenile and adult corrections. Over time, the conditions in these neighborhoods seem to have grown more severe and intractable.

B. Challenges to Change. While the situations within disinvested neighborhoods have been documented and analyzed, this documentation and analysis has not produced clear

and compelling outlines for community regeneration to improve these children's life prospects. There has been renewed discussion of community empowerment and the devolution of authority for public decision-making closer to the people being served, with emphasis upon inclusion (reminiscent of the "maximum feasible participation" of the 1960's). Yet advocates for such strategies have difficulty finding real-world success stories on a broad and comprehensive scale. Instead, they point to signs of hope and efforts which have produced partial gains within specific disciplinary domains.

There have been formidable critiques of the potential for community regeneration in this country's most distressed and disinvested neighborhoods. Recollections of failures from the 1960's Model Cities program have served as forewarnings to those who would be naive and move ahead. There have been reasoned arguments against the capacity of distressed and reinvested communities to rebuild themselves (Lehman); of service strategies within distressed neighborhoods to improve life options for children (Harris); of small-scale community-based initiatives that show promise of success to be more than iconoclastic oases incapable of replication (Murray); and of the human condition to be amenable to comprehensive change and growth through social intervention (Etzioni). At least two ambitious and comprehensive foundation initiatives (the Pew Trusts' recently-abandoned Children's Initiative and Public/Private Ventures Community Collaboration for Youth Development), while defining their goal as both individual and community regeneration, chose to select their target communities as those with some minimum level of economic activity, eliminating neighborhoods with poverty rates above 30-35 % of the population.

C. The Necessity of Finding a Solution. The prudent course may be to steer clear of another effort at community regeneration. It clearly is foolhardy to fail to reflect on the reasons that prior efforts have not achieved their goals. At the same time, there are strong reasons for trying again and believing there is a potential for success. The following are the undergirdings for a new attempt.

- o All families want to love and nurture their children, which forms a basis for believing that we can improve outcomes in even the most disinvested and distressed communities.
- o Even the most disinvested communities have diverse populations, with assets and resources upon which to build, which forms a basis for believing that the fabric of community can be re-woven.
- o Prior efforts have provided clues on many of the needed ingredients for success, but have been implemented within a comprehensive initiative, which forms a basis for believing that new efforts can succeed where prior efforts have failed.

3. The costs of continuing to fail are too great to individuals within disinvested neighborhoods and to society as a whole, which forms a basis for exhorting ourselves and others to find solutions and achieve success.

II. There is a need for healing within disinvested communities, but this healing must be

achieved through new service approaches.

A. The need for a therapeutic (healing) response. Living in poverty is hazardous to one's health -- to one's physical, mental, social, educational, and economic well-being. Living in violent environments with limited opportunities for growth produces natural human responses of depression, passivity, reaction, and striking out. While these responses have developed as a result of the absence of economic opportunity, the re-introduction of economic opportunity does not immediately eliminate them. In fact, the needs for therapeutic services (mental health, child welfare, substance abuse treatment, juvenile services, domestic abuse, parenting education, disability, compensatory and remedial education, job training and work experience), particularly publicly-financed therapeutic services, are much greater in distressed communities than nondistressed ones.

Obviously, the needs for "hard" or "survival" services -- safe housing, food, transportation, income, protection -- also are much greater within disinvested neighborhoods. Typically, however, these "survival" services are viewed as separate from therapeutic responses.

B. The poisoned well of human services. While the need for therapeutic services in distressed communities is profound, the current provision of such services, while extensive, has been posed by critics like John McKnight to actually "do harm" through fostering dependency. Certainly, without the provision of "survival" services, therapeutic services are likely to be minimally effective, constituting damage control and poverty management rather than leading to growth and development (Maslow). Imposed from without by professionals who have little connection to the lives of those they treat, current therapeutic services largely are pathology-based. At worst, they further deplete and demoralize those they are designed to help through blaming the victim. Rather than transform environments, they seek to teach coping skills for living underneath the American dream. In addition to the impact upon clients, the result is frustration or resignation upon the part of professionals providing the therapy, as they fail to witness client change or improvement.

C. An individual and a collective paradigm for healing and human growth. It is for this reason that a new set of practice principles are being posed for working with families. Increasingly, this healing work is seen as having both individual and collective components directed to assuring that families and their children develop and grow.

On the individual level, responses from frontline workers must become more preventive, holistic, family-focused, neighborhood-connected, individually-tailored, and based upon an asset as opposed to a deficit approach. Work with families must be conducted in partnership with those families. While the first work with families must be to assure that survival needs are met, the asset-based focus means that further healing work builds upon capacities rather than addresses deficits.

This frontline practice is substantially different from much current frontline work within distressed communities -- validating families and viewing current stresses upon the

family as reflecting environmental, as well as family, conditions.

Since this frontline practice is more preventive and serves as a bridge between the therapeutic and the normative, it requires persistent and creative outreach to engage those within distressed neighborhoods who have grown distrustful of public programs, services, and remedies. Reducing the distance between practitioners and clients requires that services become more embedded within the neighborhoods they serve. Within education, Comer and others have recognized the need to involve parents in school life to eliminate the cultural distance between the school and its students and to foster a true learning environment. Within human services, there is a similar need for family involvement.

Moreover, a significant portion of this service provision can be performed by those who currently reside within the neighborhood, achieving a dual purpose of creating a community connection and offering economic opportunity for community residents. Both the strengths of employing community residents (greater knowledge of the neighborhood and capacity for effective outreach) and the limitations (lack of receptivity by some clients to peers as their counselors and lack of professional expertise needed to address some client needs) must be recognized (Halpern). Moreover, barriers to the use of community paraprofessionals (credentialing issues) must be overcome, and appropriate emphasis upon staff training and development must exist.

In addition to individual level activities, this healing work requires collective strategies. It is clear that robust communities differ from distressed and disinvested communities in the opportunities they afford their children and families. Disinvested communities lack sufficient, multiple points of protection and support for parents, children, and youth. These points of protection form the fabric of community within robust communities. They have variously been referred to, with different nuances, as "primary services" (Chapin Hall), "reliency" or "protective" factors (Cataldo and Hawkins), social capital (Putnam), social mediators (Connell and Aber), "microsystems" (Bronfenbrenner), and "core concepts" (Public/Private Ventures). They include caring adults and role models, positive peer influences, and constructive recreational and social activities. They provide opportunities for family members across a broad domain of human activities to exert effort, achieve success, and receive recognition.

Reconstructing this fabric of voluntary relationships and associations within a community requires a collective, as opposed to an individually-based, strategy. Initially, a part of this reconstruction may be facilitated through intermediaries -- through building mentoring relationships, establishing recreational programs, and operating facilities (family and community centers, settlement houses) under the direction of surrogates who commit to moving this work into distressed neighborhoods. Whether these collective strategies have their concrete manifestations in "weed and seed" programs, family center family holiday outings and parties, midnight basketball leagues, "adopt a school" programs, "school to work" transition programs, neighborhood watches, or teen-to-teen talk sessions, they create alternatives for children, youth, and families to connect socially and to involve themselves in collective activities.

While surrogates may initially staff and direct some of these efforts, the goal must be to remove the barriers that exist for residents within disinvested neighborhoods to assume these leadership roles. Such services and activities exist in robust communities because their residents have the opportunity and occasion -- both economic and social -- to voluntarily provide them. Those residents in disinvested communities most likely to provide such voluntary services may be working at two jobs to keep their families afloat or addressing higher-order survival needs of transporting their children safely to and from school. These residents must be identified, and the barriers to their providing such support must be removed. To the extent these "primary services" involve jobs and employment, they also offer particularly strong opportunities for serving the dual role of offering families and children supports known to be key to success and offering individuals within the disinvested neighborhood employment and income.

At both the individual and collective level, a key component to success is in providing community residents a voice. In the end, this can and should lead to the development of organizations and institutions, recognized as legitimate and representative within disinvested neighborhoods, that can articulate neighborhood needs and wants. This extends beyond individual growth and development and the construction of associational ties and connections that are part of a neighborhood's healing and growth. It extends to effective involvement and representation in the larger community -- to political power. The individual and collective level strategies should not define themselves in ways that divorce them from responsibility for political mobilization. Reformers similarly must bolster themselves for the inevitable tensions that these rising community expectations will produce.

III. Disinvested communities require an economic development strategy, involving public and private sector employment, that is linked to the healing strategy.

A. The social contract in providing economic opportunity. Many argue that the root cause for human distress within disinvested communities is the absence of jobs, economic opportunity, and an economic future. Within disinvested neighborhoods, residents indicate that what their community needs most is jobs. Professionals working in the community indicate that they cannot establish the trust needed to work developmentally with clients unless clients can see the jobs and economic opportunity their efforts will produce.

A strategy for disinvested communities must include an employment strategy linked to the social strategy. This employment strategy both must be sufficiently extensive to meet resident needs for jobs and sufficiently developmental to create the work readiness required to hold those jobs.

The current skills and work habits of the unemployed within disinvested communities do not correspond to those expected by employers who pay family-sustaining wages. In fact, the best and brightest within disinvested neighborhoods may be drawn to underground and illegal economic activities, where they develop work habits and entrepreneurial skills

that cannot easily be translated to legitimate businesses and pursuits.

For community economic regeneration to occur, strategies must connect job creation with job readiness. The strategies must be established at a sufficient scale to create neighborhood-wide opportunities, rather than opportunities for the few to escape the disinvested neighborhood. The opportunities should be sufficiently diverse to meet the variety of dispositions and capacities among neighborhood residents for productive employment.

To achieve this scale requires employment strategies within the public sector, employment strategies for indigenous job and business creation, and employment strategies within the larger private job and employment sector.

B. The role of the public sector in job development. The public sector employs a substantial workforce within any community -- in education, human services, public works, community protection, and recreation services. Residents in disinvested communities are the consumers of many of these services. In the case of human services, they constitute the disproportionate share of public clients. At the same time, residents of disinvested communities hold few of these jobs, particularly those jobs which provide family-sustaining wages. The workforce that serves disinvested communities is both geographically and social distant from the consumers it serves. Reducing that distance both serves to provide more responsive services and to offer employment opportunities.

The development of public sector employment opportunities requires the establishment of more neighborhood-based, prevention-oriented services and supports. Some of the opportunities must come from de-professionalization and de-labelling of existing therapeutic services and converting them into more developmentally-based ones. Some must come from the employment of neighborhood residents to manage and perform additional collectively-oriented activities. Still others must come from concerted efforts to restructure the composition of workforces of public institutions continuing to serve the disinvested neighborhoods, including schools and health systems.

In all instances, the development of new training and staff development strategies is needed to initially employ neighborhood personnel and to build their skills to move to positions of increasing authority and compensation. Existing credentialing has served to exclude residents of disinvested communities. New competency-based systems must be constructed to insure that those hired from within the community have access to career ladders. Public employee unions must accept new responsibilities and roles in this process.

In the country as a whole, the public sector plays a major role in employment and the economy. It must play no less great a role for residents in disinvested neighborhoods.

C. The role of indigenous job and business creation. A second opportunity for economic vitalization is through indigenous economic activity. The regenerative steps for disinvested neighborhoods toward fuller employment require indigenous economic activity that includes smaller-scale business ventures, often in derivative businesses. This

includes micro-enterprise development and the provision of seed or venture capital (and technical assistance and support) targeted to mom and pop businesses. These activities can increase the multiplier effect of funds being expended by residents within disinvested neighborhoods. They can produce avenues for economic activity and growth both for those with talents as entrepreneurs and for those needing work experience to acquire other jobs. Consciously constructed, farmers' markets can provide an entrepreneurial economic ladder from street vending to booth maintenance to expansion and city-wide distribution. Micro-enterprise programs can serve as apprenticeships into the wage labor, as well as self-employment, sector. In both instances, there must be investment capital and technical assistance and entrepreneurship training for such strategies to succeed.

D. The role of private sector job creation. While public sector jobs and self-employment play a role in the economic vitality of communities, the private sector plays the predominant role in job creation and economic opportunity. The growth sector within that economy consists of emerging businesses with the capacity to grow to become major corporate employers, and not small businesses per se, as is often publicized. Retail and service industries develop as an adjunct to increased economic activity, but do not themselves drive employment and the economy. For this reason, it is critical to involve the corporate community, which is most attentive to supporting emerging business and industry.

The economic revitalization of disinvested communities requires commitments from the corporate sector. New relationships between the corporate sector and disinvested communities must be developed which extend beyond philanthropy, mentoring, and "adopt a school" efforts. The barriers that inner-city distress presents to metropolitan economic vitality and growth must be recognized and the self-interest of the corporate community in such regeneration established. The costs of failure must be delineated and shown for their impacts upon all of society. There must be explicit efforts to define short-term costs and long-term savings through conversions from a remediation to an investment form of budgeting.

The private sector's role in contributing to the economic revitalization of disinvested communities must be more clearly defined than it was within the Model Cities program. Analogous to venture capitalists, the corporate community must provide a combination of capital resources, jobs, and ongoing technical assistance and managerial support to create the preconditions for economic growth. The investment of the private sector at a hands-on, as opposed to a philanthropic, level is essential.

IV. Leadership development is key to successful regeneration.

A. The challenges of collaboration. Rebuilding disinvested communities requires a wide array of new collaborations and partnerships -- between families and new frontline workers, among indigenous and professional staff within neighborhood organizations, across organizations within neighborhoods, across organizations and institutions both inside and outside disinvested neighborhoods, with political and fiscal leaders, and with the corporate community. This requires leadership -- within disinvested communities and

within the larger community -- which embraces principles of inclusion, empowerment, and diversity.

There is no reason to believe that identifying and nurturing effective collaborative leaders from within disinvested communities is any easier to achieve than it is within nondistressed communities. Disinvested communities must contend with the same turf issues and traditional leadership threatened by participatory systems that is found in nondistressed communities.

Identifying and nurturing collaborative leaders requires that leadership opportunities be created within all aspects of reform -- social, economic, and political. At the same time, existing leadership must be encouraged to transition itself to new roles. Within disinvested communities, much of this leadership must come from activating people who previously have not been part of any organizational structures.

B. From unequal to equal partnerships. Just as disinvested communities suffer from lack of job readiness, they do not have a broad and experienced leadership and management base capable of negotiating with dominant society leadership. A devolution of authority over the use of resources (public service funding, capital for economic development) to disinvested communities must recognize that the technical skills for their effective deployment do not now exist within those neighborhoods.

As there need to be career development opportunities for community residents to move from entry-level employment into higher-level positions with family-sustaining wages, there need to be commensurate opportunities for residents to develop collaborative political skills and assume greater authority within the larger political system. Development of citizen monitoring capacity, tried with some success in the 1970's but subsequently abandoned (Eisenberg), can offer avenues to residents both to negotiate with city hall and to develop a knowledge base for entry positions into management. Serious attention to board development within nonprofit organizations (Stokes) can provide residents with experiences in governance that they can take to the next level of community decision-making. Community assessment processes can serve the purpose of identifying and mobilizing new leaders (Blackwell).

A common critique of housing efforts by such organizations as LISC is that they do not transfer their own technical skills to the community residents who will reside in that housing. While they succeed in developing new housing stock, they do not develop the human capital needed to sustain that housing or create additional stock. While there is a critical role for intermediaries (surrogates) to act on behalf of disinvested communities, that role must be a transitional one. Too often, intermediaries (family center directors, community action agency directors, community development corporation executives), even when they remain close to the population they serve, do not move their organizations toward community governance and ownership. Rarely is this an expectation placed upon them; even more rarely are they provided with the resources and supports for this developmental work. Rebuilding disinvested communities requires an emphasis upon transitional leadership within the intermediary community. Consequently,

it requires support to those intermediaries -- technical, fiscal, and symbolic -- to accomplish this transition.

C. Political conflict and critical mass. Effective mobilization within disinvested neighborhoods and communities will produce political demands. Service territories, particularly for more preventive and developmental services (e.g. family centers, youth activities) must be compact, reflecting natural, resident-defined boundaries and usually consisting of 10,000 or fewer people. For neighborhoods to have significant political recognition and clout, however, requires a larger geopolitical base.

From the outset, there must be a commitment to a rolling-out process within a metropolitan area to address the needs of all disinvested neighborhoods. Throughout the process, there must recognition of the additional challenges that going to scale creates. The effect of initial targeting should not be to focus reinvestment in one neighborhood at the expense of others. Targeted disinvested neighborhoods and communities must be of sufficient size to leverage continued political commitment for the community as a whole.

V. This is unexplored territory (as far as achieving success is concerned): We must learn by doing.

A. The need for a different paradigm to achieve different results. The end goal for this effort -- improved outcomes for children and families -- can and should be clearly stated and measures of progress toward that end defined. There are no clear paths to achieve these goals, however. Consequently, the traditional evaluation and demonstration project paradigm that guides much initiative development is not appropriate.

The path to that end goal will not remain static. This is experimental work. The strategy is not to "test" a specific proposed intervention/strategy and carry it out, eventually measuring it against a set of outcomes. Rather, it is to continually revise and modify initial strategies in order to develop an effective set of interventions. As child psychologist Fritz Riedl told the National Institute of Mental Health, which had changed its grantmaking system to require program evaluation based upon a comparison group, a specific treatment, and a set of outcomes measures, "If I knew how to succeed with these children, I wouldn't be doing the research." (Polansky)

This experimentation requires no less discipline and rigor in initiative development. In fact, it requires a more complex methodology for charting progress and adapting strategies.

B. The need for recognizing lessons from the past (knowledge gathering and synthesis). The above does not mean that prior experimentation and evaluation be disregarded. In fact, there is a profound need to gather knowledge from past revitalization efforts. This involves a review of a broad range of literature, including the formative and summative evaluations of the Model Cities program and other large scale federal efforts, the community development and community action literature, the economic literature, and the general social science literature.

It requires efforts to determine why prior strategies failed, particularly where they

showed signs of success and then met with unanticipated new barriers limited their impact.

C. The role of action research (field work knowledge building). In addition to reviewing and synthesizing the lessons from prior efforts, the many existing efforts at neighborhood revitalization and service reform deserve review. While most are not comprehensive in scope or scale, there are a rich number of current laboratories that can provide insight into how to build community capacity, devolve authority over service provision, and create an economic infrastructure within disinvested neighborhoods. Some of these lend themselves to focussed evaluation and support in order to better define actions that can lead to successful reform.

D. A paradigm based upon continuous problem-solving and prototype refinement. The prevailing paradigm for initiatives is to delineate a specific intervention or action and evaluate it to determine if it produces desired results. An alternative paradigm is to define the desired result and commit to successively adapting and redesigning the strategy until it achieves those results. Early prototype strategies are not expected to succeed, but rather to provide information around which subsequent prototype adaptations and enhancements are developed. The research and development phase in prototype development does not limit itself to creating the most efficient model from the outset, but rather with creating a model that works at all. Following this work, the strategy can be streamlined to achieve greater efficiency and effectiveness.

Such an approach requires a concerted, long-term commitment that incorporates all of the following:

- o Expecting mistakes and failures and constructing incentives to treat mistakes as learning opportunities, with state-of-the-art trouble-shooting assistance available when needed,
- o Having budget flexibility to commit resources to address unanticipated problems, and
- o Distinguishing between the initial work needed to achieve results and the design engineering eventually required to develop efficiency in achieving those results. Issues Deserving More Study and Elaboration

Charles Bruner, September 6, 1994

Depending upon the scope of the eventual work, there is a tremendous number of holes in the analysis that need to be filled, drawing upon a wide range of literatures, individuals, and program experiences. The following are examples of activities that could fill some of these holes.

1. A critical review of the lessons from the Model Cities program, much more extensive than that provided by Edelman and Rabin.
2. A detailed analysis of the works of those who offer critiques of efforts to regenerate

disinvested communities (Lehman, Harris, Murray, Etzioni, et.al.).

3. Knowledge-gathering around the formation of associational groups, including experiences from CBOs in identifying and nurturing residents for this role.
4. Knowledge-gathering around the developmental strategies for converting CBOs into COOs (community-owned organizations) and the transitional leadership characteristics needed from directors and staff.
5. Economic modelling around the critical mass of jobs needed to spur community economic regeneration and the extent to which those jobs can be created within the public sector, through indigenous growth, and from outside efforts.
6. Reality checks with the corporate world on the obstacles to enlisting corporate support that extends beyond philanthropy.
7. Reflection on the level of commitment needed from philanthropy -- both fiscal and technical/best thinking -- to offer chance for success, particularly if goal is to "do what it takes" to overcome problems as they arise.
8. General background research into fields that deserve to be mined for partial answers to the issues raised here -- urban economics, community development, micro-enterprise development, social systems, community mobilization, leadership development, diffusion of innovation literature, etc.
9. Reactions from the most thoughtful persons on the general approach and the work plan and strategy needed to provide some probability for success.