Decentralized Development: From Theory to Practice

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This chapter is the story of our participation in the generation and implementation of a set of urban economic development policies that evolved in Chicago from the mid-1970s through 1987. The story follows our ideas and experiences through three stages: as policy analysts and activists involved in community-based coalitions; as members of the policy apparatus of the Harold Washington mayoral campaign; and as administrators in city government. We have tried to reflect carefully about what we set out to do, what we did, and what we learned.

Our course was inextricably rooted in the history of minority and community political struggles in Chicago, which we discuss in the first part of this chapter. Its direction was enabled and informed by the clear vision and legislative record of Harold Washington. He believed that politics and government could be a force for fairness, effective service delivery, and social programs directed toward the needs of neighborhoods. As community organizers and as urban planners, we believed that our role was to apply our best efforts to implement this vision, with strategies that had to include both democratic process and good results.

On a decision-by-decision basis, guided by Washington's vision and commitment, we tried to address the desires of all neighborhoods for open, effective, and fair government. We worked to make their agenda a reality in both big and small ways. We changed budget priorities and implemented reform legislation that was dramatic for Chicago. But no detail was insignificant. For example, we took care to personally rewrite letters that senior staff had prepared for the mayor's signature to make them sound less bureaucratic and more human. We also talked to secretaries about being "Harold's voice" to the citizen who had perhaps never called city hall before.

Even with our best efforts, there is no denying the huge constraints we faced at every turn in the implementation process. Moe was fond of saying that trying to get things done was like fighting a war with someone else's army. The idea that winning an election is a cakewalk compared to govern-

ing was one that we grasped immediately. We were humbled by the extreme difficulty we encountered every single minute of every day in office.

Parallel Paths of Development

Our Personal Paths

We came to the Washington administration experience on paths that had intersected before. Moe came to Chicago in 1972 as a Carleton College student in the Associated Colleges of the Midwest Urban Studies Program. She returned in 1974 and until 1980 was employed as a social worker and teacher, while also working with several community-based organizations in the politically active Uptown community. [NB: In Chicago, Uptown (capitalized) is a distinct community area or neighborhood—unlike *down*-town (lower case), the central business district.] Moe met Mier in 1976 when she enrolled part-time in the School of Urban Planning and Policy (SUPP) at the University of Illinois at Chicago (UIC). She later completed a Masters of City Planning degree at the Massachusetts Institute of Technology and returned to Chicago in 1982 to become executive director of the Community Workshop on Economic Development (CWED). She had broadened her focus on social welfare and youth policy issues to include community development, employment, and economic development.

Mier arrived in Chicago in 1975 to teach community development and planning at UIC. In the preceding decade he had served in Vietnam as an advisor to the South Vietnamese navy and then been actively involved in the antiwar and community development movements in Oakland, Calif. and St. Louis, Mo. He was the founding director in 1978 of the UIC Center for Urban Economic Development (UICUED). His teaching emphasis on community economic development, pedagogical emphasis on social action as a means of learning, and technical assistance activities at UICUED brought him into close working contact with a number of community development organizations. He was a founding member of CWED, with whom he helped articulate a community development policy statement. Both authors joined Harold Washington's administration in 1983.[1]

Earlier, in 1982, when we helped put together the Washington campaign economic development platform, several large and diverse neighborhood-based organizations and coalitions engaging in community economic development had emerged. The organizations included housing and commercial development groups with a sprinkling of industrial development ones.

Community-based Organizations
Move into Economic Development

By 1975, several forces in Chicago had converged to catalyze a sharpened discussion about economic development—in addition to housing—in community development. Community leaders were seeing more clearly the need to move beyond simple protest and to create jobs, promote skill training, and link people with jobs. As Gills has discussed earlier in this volume, formal and informal networks of community organizations were emerging to facilitate strategic discussions. A critical number of community development organizations existed by the latter half of the decade, and they frequently acted for a collective purpose through formal network organizations. Viable citywide organizations had been forming that would provide support and assistance to the local community organizations and networks.

The Chicago Rehab Network, as Gills has pointed out, was a group of community organization leaders who coalesced around their commitment to rehabilitate housing in low-income neighborhoods. More importantly, they focused on the limitations of housing as a single issue and were beginning to explore broader community development approaches. Some of the Rehab Network groups were among the first to broaden their purpose, considering a direct job generation approach to community development. The Eighteenth Street Development Corporation, the Bickerdike Redevelopment Corporation, the Kenwood–Oakland Community Organization (KOCO), and the Midwest Community Council in particular began to explore job training in rehabilitation construction trades as well as direct business development.[2]

The Chicago Association of Neighborhood Development Organizations (CANDO), started in 1978, was another important community institution. Some of the advocacy groups in white working class neighborhoods earlier had taken up the issue of commercial revitalization. By 1978, there were about a dozen neighborhood commercial revitalization groups. Like the Rehab Network, they first came together as an informal network, then formally associated as CANDO.

In 1978 the graduate planning program at UIC formed the Center for Urban Economic Development (UICUED). UICUED became an important source of technical assistance to community development organizations.[3] By 1980, Mier and his colleagues in the planning program at UIC had graduated a number of people specializing in community economic development. Many had joined the staffs of community organizations. Other support organizations included the Center for Neighborhood Technology (CNT), created in 1976. It worked within these networks of community organizations, trying to bring to them alternative production technologies. Their first venture was urban greenhouses for food production. Finally, the

Associated Colleges of the Midwest Urban Studies Program proved to be an important training ground for many individuals who participated in the community organizing efforts.[4]

The downtown civic and philanthropic associations also increased their focus on housing and economic development issues in low-income communities. There was evidence of this shift in the Urban League, Community Renewal Society, the Latino Institute, T.R.U.S.T., Inc., and the Jewish Council on Urban Affairs. In the late 1970s, led by the Wieboldt Foundation, the foundations shifted some of their funding to actual development activities. Once Wieboldt moved, the Joyce Foundation, the Chicago Community Trust, the Woods Charitable Fund, and eventually the MacArthur Foundation, followed.

Downtown Planning Initiatives

During this same time, interests primarily concerned with the development of Chicago's central business district began to advocate or directly undertake development planning.[5] These downtown planning initiatives were important for what they revealed about corporate interests. They also stimulated a creative response from the neighborhoods. The "downtown vs. neighborhoods" metaphor would emerge in the Washington campaign. The Chicago 21 Plan of the late 1970s was a catalyst that defined issues, interests, and relationships which endured into the Washington administration.[6]

The Chicago 21 Plan intended to shape development of a "central area" extending to Damen Avenue on the west, south to 35th Street, and north to North Avenue. These boundaries included several low-income communities that had experienced substantial housing and commercial disinvestment. The plan envisioned those neighborhoods as extensions of the central area. To organizers and planners in those neighborhoods, it seemed as if the central area development advocates had a gentrification agenda. They began to raise questions and, through organizing efforts, formed a coalition against it.

The Chicago Central Area Committee (CCAC), the sponsors of the plan, responded by pledging matching planning grants to the affected neighborhoods. The CCAC sought input on the neighborhood components of its plan, with a pledge to incorporate them. Although there was concern about co-optation, two of the four communities raised matching funds and undertook community plans. One was done in Pilsen by the Pilsen Neighbors Community Council with Pat Wright, a SUPP graduate, as its planner. The other was done in West Town, where the Northwest Community Organization (NCO) spun off a planning group led by another of Mier's former students, Maureen Hellwig.

The planning grants may have played a co-optation role to the extent that these two groups began to focus on an agenda for their respective neighborhoods and diverted their focus from the overall approach of the Chicago 21 Plan. But the community planning processes also involved more people and organizations within each neighborhood in the debate about the future of their neighborhood.[7] Residents could not visualize their neighborhood becoming an extension of the Loop without being gentrified. Gentrification became the organizing issue for the Coalition to Stop the Chicago 21 Plan.

Other events in these communities helped keep the issue of gentrification alive. For example, in Pilsen at that time, local developer John Podmajersky promoted a grandiose plan for renovating the historic Schoenhoffen Brewery as an upscale boutique development to be called Bathhouse Square. In addition, small colonies of artists emerged both in Pilsen and in West Town. Local groups perceived such artists' colonies as beachheads for gentrification.[8]

Issues similar to those provoked by the Chicago 21 Plan were emerging in other neighborhoods. For example, a major low-income housing displacement battle was being fought in Uptown in the late 1970s. On the West Side, there was community conflict over the operations of a major hospital complex. People with specific experiences in their own neighborhood found common cause with people in other neighborhoods: whites on the north side, Hispanics in West Town and Pilsen, and blacks on the West Side were experiencing the same organizing challenges and beginning to speak a common language of experience.[9]

During this time period, a parallel set of community-based organizations and networks developed around health, human services, and education issues. These organizations were similar to the development organizations in their philosophy, personnel, and networking, and in the way they visualized downtown impact on the neighborhoods. The Alternative Schools Network, within which Moe worked from 1977 to 1980, was a parallel organization to the Rehab Network. In a lot of individual neighborhoods, the local alternative school worked directly with the local housing development group to train young people in carpentry. Where Moe worked in Uptown, her students trained at The Voice of the People, the local housing rehabilitation group. This represented one example of the multiple kinds of cross fertilization going on within and among neighborhoods.

Business Alienation

A second countervailing force evolved through the 1970s. Businesses located out of the central area felt ignored by city hall. This stimulated the

formation of local chambers of commerce, business development groups, industrial councils, and eventually the CANDO network. In 1977, Mier and some of his students worked with the Economic Development Commission (EDC) doing a survey of manufacturing firms in the Pilsen–Little Village area.[10] These firms were very disenchanted with city hall. This dissatisfaction led to their creation of the Pilsen Industrial Council. This council began to work with the Eighteenth Street Development Corporation. This networking between businessmen's groups and local constituency-based development groups was occurring in many neighborhoods.

Minority Political Empowerment

A third countervailing force also emerged beginning in the 1960s—that of increased independence and assertiveness within Chicago's black community. This history of rising minority dissatisfaction is well documented earlier in this volume by Gills. This movement was reinforced by the steady growth of Chicago's population of blacks and other minorities, and the verification of that growth in the 1980 census. This occurred in the national context of dramatic increases in the numbers of minority-group mayors throughout the country.[11] Finally, contributing to all of this concern and protest was the cutback of social programs under the Reagan presidency as well as its overt attack on civil rights policies.

The Paths Converge: 1982

Formation of the Community Workshop on Economic Development

The Community Workshop on Economic Development (CWED) emerged from a 1982 conference sponsored by the Community Renewal Society (CRS) to critique enterprise zones, the central Republican urban development initiative, and to focus the local urban development policy debate.[12] The participating community organizations were frustrated with President Reagan's budget cutbacks and the dismantling of urban programs. In addition, the specter of a World's Fair in Chicago loomed, an event threatening to absorb for the next decade all available discretionary public development resources. But they also understood that the times required strategies that moved beyond statements of opposition to enterprise

zones and the World's Fair. The groups decided to coalesce in order to prepare a proactive policy and program statement which could undergrid their fight for dollars and their critique of programs at the city and state levels. They also wanted a statement that would reflect the experience they had been gaining over several years of delivering community development projects.

The Chicago participants felt a sense, early on, that there was an opportunity, given a hotly contested governor's race underway in Illinois, to produce a significant statewide policy statement. The state also became the focus because Reagan was transferring the control of significant urban development programs from the federal government to the states. State governments would be designating enterprise zones. This launched the effort to put together CWED as a statewide organization.[13] CWED's formation was an acknowledgement that it was time for community based organizations to get political at the state level and represented an awareness of common interests with similar groups in smaller cities.

The actual CWED policy statement, a codification of the decisions of two statewide meetings, was written in August 1982. The platform was subsequently modified based on feedback from CWED members and then ratified. At the time of its drafting, the significance of the policy-defining effort was not fully appreciated. In fact, it failed in terms of being a political organizing device to influence the governor's race because it was completed too late.

By November CWED was in transition. It had started as an ad hoc, short term effort. There was a decision by the Chicago members to continue the organization as the *Chicago* Workshop on Economic Development because of their belief that an advocacy organization focusing on development policy was essential.[14]

Harold Washington Decides to Run for Mayor

Chicago's black community was alive with political activity during the summer and fall of 1982. Operation PUSH was leading a boycott of Chicagofest, and Chicago Black United Communities (CBUC) sponsored a straw poll to identify leading black candidates for mayor.[15] The census data revealed that the mayoralty was in reach. The traditional powers of the machine wanted to defeat Jane Byrne by supporting Richard M. Daley, son of the former mayor. Ed Gardner, owner of Soft Sheen Products, supported a voter registration drive called "Come Alive, October 5." Harold Washington, clearly the favored candidate of the black community, said he would run if the registration challenge he established was achieved. Finally, as Gills has discussed, with Washington's agreement to run, many com-

munity organizations like PUSH and CBUC coalesced, for the sake of the campaign, into the Task Force on Black Political Empowerment.

Campaign Issues Development

Moe received a call from Hal Baron in early November 1982. Congressman Washington had asked Baron to cochair, with Vince Bakeman, his Research and Issues Committee for the campaign. Baron asked Moe to be the staff director of the Research and Issues Committee, should Washington ultimately decide to run.[16] By November 15, Washington had made his decision and had approved Moe's hiring, and Moe left CWED for the campaign.

In the second half of November, Baron wrote a memo to Washington suggesting alternative approaches to issues development. His favored suggestion was the formation of issues teams to bring together diverse viewpoints and constituencies and to produce a popularly generated platform. The second, more traditional alternative was to assemble a few "experts" for a short, intensive effort to shape the campaign issues. Baron suggested to Washington that he would probably end up with the same policy papers, but the first approach would develop constituencies. Washington chose the broad-based issues teams approach. Baron, Bakeman, and Moe started to organize the teams in late November and early December. Each issue team was to represent the class, race, and neighborhood diversity of the city.

Washington's approach to issues development for the campaign was significant in that it later characterized his approach to issues development in government. The approach also reflected his tendency as a legislator to "hear all views" and replicated the committee structure of his congressional district.

By early January, about fifteen issues teams had started working on topics including energy, housing, jobs, senior citizens, women, fiscal policy, transportation, neighborhoods, and economic development (which was chaired by Mier). Washington appointed an oversight body, the Research and Issues Committee, to report to him regarding policy directions and to advise him routinely regarding work progress and schedule. Each issues team produced policy papers, specific briefing papers for speeches, endorsement sessions and debates, and campaign literature. The policy papers were published in the central policy document of the campaign, *The Washington Papers*.[17]

We are still impressed by the incredible energy and effort put forth by the more than 150 volunteers on these issues teams. On their own initiative, they gathered documents, conducted interviews, held substantive debates

at their meetings, and worked under extremely tight deadlines to produce written documents for the campaign. In addition, the campaign Research Office coordinated another ten to fifteen volunteers per day who prepared the candidate's daily briefing packets for all his scheduled events. Along with every other aspect of the campaign operation, the core staff worked fourteen hours per day, seven days per week, from December to April. Resources were so sparse that there frequently were not enough chairs for all the people who wanted to work.

Given all that had to be done for his campaign, Washington must be credited for allocating resources, talent, time, and status to the issues operation. He remained committed to a campaign of substance, even though often not covered by the media. He carried this concern for issues into city government.

The Campaign Trail

On the actual campaign trail, Harold Washington consistently transcended his written material. He embellished his briefing notes with history and a rich rhetorical flourish. The fact that Harold Washington was able to elevate issues in the campaign provides an important insight into his history. This point is particularly significant because of the way in which the mainstream media and the political opposition characterized him as an exciting orator but not a serious or substantive candidate. They ignored and misunderstood the content of his speeches.

Important dimensions of Harold Washington's personal history, such as his political learning within the Daley machine, his break in the late 1960s, and his successful resistance to machine attempts at his political annihilation, are well known.[18] Less well recognized by the general public at the time of his campaign was the quality of his record as an elected official.

He had always been, even as a regular Democrat, a strong issues politician. His state legislative record of accomplishments included currency exchange reform, education, promotion of minority and female business participation in government contracting (M/FBE), the Martin Luther King holiday, and funding for minority-owned and operated Provident Hospital on Chicago's South Side. His expertise on each issue was broad and deep in a way surpassed by few state elected officials. He maintained this pattern in the U.S. Congress, where he continued to score consistently high ratings from labor, women's organizations, and good government groups. He organized a variety of citizen-staffed issues committees in his congressional district. In a short time as a congressman, he became one of the leading spokespersons for the Voting Rights Act renewal.[19]

This record had not escaped the black community. In their eyes, he had

become a powerful symbol. He represented, at once, liberation, strength of convictions, achievement against the odds, and substance. He was seen as a giant intellect who possessed the humility and common sense to stay in close contact with his constituency. He was respected as a leader who could lead and listen. He was seen not only as a charismatic orator but as an elected official with a pragmatic, grounded agenda.

As a candidate, Harold Washington had a rare ability to integrate the emotional, political, and content aspects of all issues and to relate to any audience with whom he was talking. One of Moe's typical daily experiences when traveling with him in his car to brief him during the 1983 general election was going from the West Side El (elevated railroad) stops to the top floor of the First National Bank building to talk to bankers. Then they went to the North Side to discuss human rights with a predominantly gay audience, then to South Side housing projects, then to the steel mills in southeast Chicago, and finally back to West Town to meet with Puerto Rican businessmen. There wasn't an audience that he didn't move. He molded each issue into a message that connected with the disenchantment and desire for leadership of these diverse audiences.

The Transition Team

After the primary victory in February 1983, the base of support needed to be broadened. Because it was too late for significant additions to the campaign steering or issues committees, Washington needed other vehicles to involve additional supporters. In addition, it was time to establish his ability to work with the broader networks that would be required in order for him to govern after the April general election and inauguration. In March 1983, he launched a Transition Committee, cochaired by Bill Berry, former longtime director of the Chicago Urban League, and James O'Connor, chairman of Commonwealth Edison. There was an Oversight Committee, dominated by chief executive officers of Chicago corporations, but it also included substantial community representation, a fact that was to become a Washington trademark. Sixteen individual issues teams were established, paralleling the structure of the campaign issues committees.

While the structure of the transition team was similar to the campaign issues structure, and in some cases membership overlapped, many actors were included who changed the nature of the committee debate. As Gills discussed earlier, many of these debates foreshadowed subsequent discussions and controversies in the administration between varying interest groups.

Some of the teams, most notably economic development, were used by business leadership to advocate a particular policy position. In a pattern

common to virtually every major city that had elected a minority-group mayor, the business leadership began a campaign to move the public development functions from under the control of the mayor into a quasi-public development corporation. They argued that this would provide development with "immunity from politics," but it was in fact a much deeper struggle over the control of development priorities and resources.[20]

In addition to generating policy recommendations, the staff of each Transition Issues Committee went to the city departments during April and May 1983, to conduct interviews and collect documents. The Washington team wanted to have as much information as possible. The final transition report was released to the public in September 1983. The recommendations of the *Washington Papers* and the transition report subsequently served as an explicit reference point for the administration's review of its progress up through the 1987 election.[21]

Taking Over and Starting Up

With the election victory, many of Harold Washington's supporters from the community and economic development networks and organizations—like us—began to think of taking roles in the new administration. To each of us, working for Harold Washington was an opportunity to implement the campaign agenda. It was clear that Moe was moving from the car into the Mayor's Office. From the transition experience, the importance of getting someone who was committed to community-oriented development policies appointed commissioner of economic development was clear. In the month after the election, Mier decided to make a push for it. Eventually, seven members of the economic development issues group would join the administration.[22]

Reflections on What Lay Before Us

Until the time we joined the city administration, we were both "outsiders" to local government, with our feet firmly rooted in community work. We knew the transition from outside to inside was significant, but it was not possible at the time to anticipate all of the consequences. We vowed not to become "bureaucrats." Contemplating the choice to join Mayor Harold Washington in government service, we attempted to be explicit about the major issues and our values and understandings toward them.[23]

A lot of this was a matter of the way we viewed local government. We

thought several local government functions presented both opportunities and constraints in the achievement of our objectives.[24] One such function of the local government was service provision. We recognized we had little ability to impact the larger economy but were optimistic about our ability to improve the basic quality and distribution of service. We realized that the credibility of Harold Washington's ability to govern rested on his ability to deliver such things as garbage pickup and snow removal, and to deliver them fairly. Of course, basic economic development services were included in this calculus.

We also believed that local government, by virtue of its proximity to local residents, provided the potential to be a laboratory of democracy wherein city residents who had been alienated from government could experience a different relationship with it. We believed this could be done through freedom of information policies, community forums, citizen task forces, or major speeches. We wanted to raise the local citizenry's expectations and have them set a standard to which they would hold the administrators accountable. With Chicago's history of having a dominant mayor who could command media, corporate, and business attention, we thought that Mayor Washington had a unique opportunity to influence the terms of the public policy debate at the local, state, and national levels.

We recognized the tendency of government to co-opt challenging social movements as a way of maintaining consent for the basic structures of society. We knew there was the danger that we might defuse the community actions that brought the mayor into office. We saw the opportunity, on the other hand, to use the co-optive power of government to broaden the base of support, both within and outside of government, for our goals. Thus, while we believed that local government was, more often than not, exploited by its relationship to "growth coalitions," we believed that we could alter this relationship through "public return on public investment" policies, like betting on basic industry.[25] We thought these policies would have a longer term impact on the macroeconomy. We wanted to test the ability of local government to enlist the growth coalition's support for a broader public policy agenda.

We also had a social issue agenda. We believed that the two central social issues before us were poverty and race relations. We knew that local government, especially in Illinois, where the welfare system is essentially state managed, had only a limited capacity to address poverty. Notwithstanding, we felt that we would have to keep the issue of poverty at the forefront of everything we would undertake. Similarly, we knew the racial divisiveness within Chicago would face us every day, even within the ranks of the Harold Washington coalition. But we believed that local government, because of its closeness to people's lives, played an important role in mediating social relations across race, class, and neighborhood lines. We

believed that, by bringing people of diverse backgrounds and perspectives together, local government could promote at least understanding and perhaps decreased hostility among different interest groups. We were unsure about the ability of local government to develop consensus, except on a personal, issue-specific basis.

We hoped to bring our personal commitments to social justice into the government and to make it operational in our day-to-day decision making. In this regard, following the theories of John Rawls and the practice of Norman Krumholz, we hoped to be able to focus attention on the least advantaged in any public decision making situation and to give their circumstances priority attention.[26] We also thought that an economic development agenda that opened job opportunities to the most work-needy Chicagoans was a major means of achieving justice.

In addressing the issues of poverty and race, we knew that neighborhood-based organizations were a needed ally.[27] We anticipated actively opening government decision processes to wide public participation. We believed that neighborhood organizations could be supportive of a broader social justice agenda, beyond their individual neighborhood concerns. To do this, we anticipated that much of the informal networking in which we had engaged as activists would still play an important role.

Economic Development:
From Activism to Administration

The Department of Economic Development (DED) was an essential department to control. Although it had a relatively modest budget of $35 million, it had important legal authority and it carried out community development functions that could be significantly enhanced. It was a central department for reaching the mayor's neighborhood and small business constituencies. DED was a platform from which to set the terms of the economic development debate. For example, the Playskool plant closing case of 1984 dramatized a new direction for government–business relations that had national impact.[28] A paradox of DED's role was its limited spending authority vs. its significant "setting the terms of the debate" authority.

There were a number of objectives we started with that were based upon our experience, *the Washington Papers*, the transition report, and the mayor's leadership:

1. *Direct Community Development Block Grant (CDBG) and infrastructure funds to support neighborhood development.* This objective was central to Mayor Washington's priority of neighborhood revitalization. The need for these program dollars

was obvious, especially in minority areas that had been traditionally neglected. Mayor Byrne's concentration of CDBG funds and infrastructure programs on downtown projects and favored wards had been the subject of community protest.

2. *Enhance business retention programs focusing on small- to medium-sized businesses constituting the bulk of Chicago's employment base.* In this regard, we envisioned community development and businessmen's groups as a potential first point of contact with the more than 100,000 businesses scattered throughout Chicago.

3. *Develop and implement an overall program that is sensitive to the idiosyncracies of particular economic sectors and can identify and seize strategic opportunities.* This challenge required understanding the enormous diversity of Chicago's local economy and recognizing that city government, with limited resources, had to invest carefully. We believed that we would find low-cost, high-return projects by looking within specific sectors such as the steel industry.

4. *Increase the participation of small and minority-owned businesses in city loan and procurement programs.* These programs had been structured to favor large businesses or contractors, making it difficult for the vast majority of Chicago businesses to either get help or do business with the city. One consequence, for example, was that more than 60 percent of the City's $400 million annual purchase of goods and services was going to non-Chicago suppliers, thus resulting in the loss of a significant opportunity to stimulate local job generation.

5. *Advocate an urban agenda at the state and national levels.* Given his rich experience in the state legislature and Congress, the historic political strength of the Chicago mayor's office, and a national leadership vacuum on urban issues, Mayor Washington felt that he could play a role in focusing public attention on such issues as housing for low-income and homeless people or jobs and training for the work needy.

6. *Better coordinate economic development, employment and training, and education efforts.* Our goal was to change the public perception that training programs were little more than disguised welfare and to make training and education central to business development. Beyond that, the goal was for the mayor to focus on the education bureaucracy, relating education to development. This objective, although certainly as pressing as all the others in the early debate, was overwhelmed by the day-to-day realities and did not surface as a strong agenda item until Mayor Washington's second term.[29]

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7. *Improve government operations.* We knew that little attention had been paid to fundamental facets of management such as the development of personnel and information systems. We sought to modernize operations.

The overarching goal of all these objectives was the need to provide jobs for Chicagoans needing work. As a result of the virtual hemorrhage of the city's manufacturing base during the 1960s and 1970s, combined with the severe recession of the early 1980s, Chicago's unemployment rate exceeded 12 percent—with a substantial concentration among minorities in general and minority youth in particular. We knew that there were substantial limits to the impact a local government could have on that, but were determined to gauge everything we did by the standard of providing jobs for work-needy people.

Assessing the Department

Virtually all the departments in the government inherited by Harold Washington operated as if they were part of a 1950s organization. For example, there were no computers in DED when we walked in. None of the financial staff was using electronic spreadsheets; everything was being done by hand. Department staff were calling on 3000 businesses a year with paper records that were virtually inaccessible. This backwardness held for all city government systems, as diverse as the personnel system and the check-writing system.

DED was a young organization, having been created in 1982. It succeeded the Economic Development Commission, which then had been vested with some line authority. The new department was created by adding some units from the Departments of Planning and Neighborhoods to those in the Economic Development Commission.[30]

When Mier started, a large amount of DED's $35 million budget was for infrastructure development. The city had received counterrecession federal Economic Development Administration (EDA) funds, so it was rebuilding industrial streets and undertaking some commercial area improvements. DED also had a $1 million EDA revolving loan fund and was packaging federal Urban Development Action Grants (UDAGs). There was a business contact program with ten or twelve people in the field knocking on doors. DED supported chambers of commerce to implement marketing programs for their neighborhood commercial strips. There were about thirty-five community business organizations annually receiving about $1 million in grants. A staff of about ten people managed the commercial strip program.

DED lacked a clear mission and identity, partly owing to its newness. There was no marketing program. There was no program designed to provide comprehensive services to small businesses. There was only a limited industrial policy focus.[31]

While DED lacked a clear mission, it had an organizational culture. This departmental culture accepted that significant projects went through an essentially political decision process. Favored nongovernmental deal brokers handled the major projects or programs. Therefore, the department staff was relegated to less significant work.

Staff accepted that they didn't have the resources or authority to commit the bureaucracy. This paradox fostered an individual behavior, on the one hand, of trying to sound responsive while, on the other, not being able to deliver. Bureaucratic procedures existed to shove away problems while pretending to take them seriously. If anything, this problem was exacerbated with the election of Harold Washington. His campaign promise to make government accessible to everyone had raised expectations. The scarcity of resources and the overwhelming nature of many problems lead to enormous "queuing" problems.

Another problematic aspect of organization culture was a serious lack of information and knowledge across departmental divisions. For example, there were about ten people who contacted businesses through field calls. These ten people had received no training regarding the loan programs of the department. If a business person wanted financial assistance, he or she couldn't find out about it from the DED agents who were the first point of information. The business person had to go through the deal brokers. We identified several similar problems in this early analysis.

Organizing the Department

Mier took office in August 1983. By mid-October, several division heads who were sensitive to and capable of managing the Harold Washington agenda were in place.[32] But Mier was still troubled by the presence of many staff people who were set in their ways. These staff ranged from apolitical bureaucrats who had been stuck in a job for years to political appointees who were allied with the mayor's opposition. The consequences of this included low productivity, bad morale, and—in the worse cases—sabotage.

We knew that changing organizational culture and staff behavior throughout DED would take two to three years. This was too long a time frame to achieve organizational effectiveness. We wanted the ability, at a moment's notice, to seize opportunities to implement concrete projects that embodied the Washington agenda.

In order to provide a stimulus for innovation and to keep a focus on

larger strategy questions, Mier formulated the idea of a new Research and Development (R&D) Division within DED. In November, 1983, we drafted the functions of the division. It would provide staff resources to line divisions when they engaged in entrepreneurial activities, work with community based organizations engaged in policy research and development, improve information systems within the department, and manage special projects. The R&D Division, described more fully later in this volume in Giloth's chapter, was launched in January 1984, when Moe transferred to DED from the Mayor's Office.

Redefining Culture

With his key managers in place, Mier knew that he needed to foster a different organizational culture. The components of the desired culture were in some cases linked directly to the mayoral campaign. One theme was respect for the processes of community empowerment. This required creating a different attitude in the bureaucracy, one that respected and responded to external initiative instead of being exclusively internally driven, or driven by the political apparatus.

Consistent with themes of openness and democracy, he wanted to minimize bureaucratic boundaries and to create a climate of problem solving based on point to point communication and teamwork. Mier recognized and rewarded this kind of initiative. This discomforted the division heads, even ones he had appointed. Like Washington, Mier would symbolically reinforce his emphasis on point-to-point communication by doing it himself.

A major obstacle, which cannot be overemphasized, impeding the creation of a different culture was the predominant administrative rules and norms of the bureaucracy. DED was subject to personnel regulations, hiring rules, and fiscal control systems that slowed everything down and frustrated employee morale significantly. In spite of this context, we also promoted culture change through traditional, formal approaches. We implemented orientation and training sessions for the staff regarding the new directions of the department. We revised operational procedures, emphasizing the need for openness and accessibility. We symbolically reinforced these actions with, for example, new marketing paraphernalia. Over time, we underscored all this by introducing performance evaluations and tying them to achievement of our departmental objectives.

Within months we began to have quarterly all-department meetings, where Mier would reward people for actions that best exemplified the new goals. When someone undertook an initiative supportive of the new directions, he would share the episode with the entire department, emphasizing

how it fit into the big picture, and then reward the employee with office memorabilia such as calling card cases or pen sets. High performers were also promoted whenever possible.

We placed a strong emphasis on the goal of equal opportunity. We were probably one of the earliest departments that made substantial inroads into equal employment opportunity (EEO) hiring. A key was Mier's personal involvement. He wouldn't let people hire unless he was satisfied that they had really done an EEO search. Moe developed the departmental procedures for such a search. Mier set goals for divisions, sections of divisions, and occupational hierarchies. When the Latino Commission did an evaluation of departments' EEO hiring efforts, they acknowledged DED as an model for other departments in terms of pursuing an EEO hiring program.[33]

Part of what we were doing was along the classical lines of good government reform—creating an organization that was responsible to the mayor, yet operating along lines that were clear and accountable to the public.[34] Mayor Washington wanted the departments to be accessible to the public and to constituencies directly, as distinct from having citizens go through their city council representatives (aldermen) or consultants. For example, Commissioner of Streets and Sanitation, John Halpin made himself available directly to community groups so they could get their streets cleaned by talking to him directly.

As soon as Mier started in August 1983, then Chief of Staff Bill Ware asked him to form a subcabinet of commissioners from the development departments. Two were carryovers—Tom Kapsalis of Aviation and Jerry Butler of Public Works. The majority were Washington appointees: Brenda Gaines, Housing; Liz Hollander, Planning; Maria Cerda, MET (the Mayor's Office of Employment and Training); and Fred Fine, Cultural Affairs. Common to all of them was minimal or no involvement in the campaign. They were professionals in their fields.

The development subcabinet was the first such grouping established in the government. The mayor wanted a forum for information transfer both up and down through the hierarchy, as well as a forum for policy debate and coordination of programs and projects. He did not want department heads running their operations as fiefdoms, which had too often occurred in the past.

Mier had a large task on his hands and recruited Moe to staff the development subcabinet even prior to her joining the department. The early meetings consisted of gathering information, defining an agenda, and attempting to get all the commissioners on board with The Washington Papers. The subcabinet became focused when we undertook production of "Chicago Works Together: The 1984 Development Plan" (CWT).

The effort began when Mier woke up one morning in January to hear on

the news that the mayor had announced the release of his development plan in about sixty days. So Mier walked into Washington's office that morning and asked, "What's this development plan you were talking about?" The mayor quietly beamed with the smile he wore when he was about to ask for something impossible with the complete confidence it would somehow get done. He said, "I figured you'd fill in the blanks." We had sixty days to produce a development plan.

We met his goal with the highly acclaimed plan.[35] CWT was a policy plan that laid out five broad goals (job development, neighborhood development, balanced growth, efficiency, and a state legislative commitment) that set the framework for more than 45 specific policies. Finally, the policies were to be implemented with more than 200 specific projects.

The R&D Division of DED was by then directed by Moe, and in the course of preparing the development plan she emerged as the chief of staff for the development subcabinet. All the departments contributed staff to support the effort, and it turned out to be a great device to motivate the rest of the departments in the development cluster. Because the matters of the development subcabinet closely involved DED, they served to reinforce the goals and directions of the department. With the completion of the development plan, it was reasonable to expect a clearer sense of purpose and more pointed output from DED.

Managing DED Programs

Once the policy agenda was set, we were faced with the task of implementation. By the spring of 1984, DED had been reorganized into five operating divisions: business services, neighborhood development, real estate development, international business development, and R&D. These divisions together were responsible for managing a wide variety of programs and projects.

Within each of these divisions we faced a number of common problems. Staff capacity was limited, and the bureaucracy continued to move too slowly. We had too little money for everything, from computers and books to loan program dollars. We faced intransigent historical and institutional obstacles, such as trying to initiate development planning in neighborhoods where no new development had occurred for several years. We experienced covert and overt political opposition within our ranks. The media was uninformed, hostile, and disinclined to cover neighborhood development stories. Finally, we experienced disagreements about strategic directions. Any two or three of these factors operating at once would make management in any organization challenging. All six together made it extremely difficult.

Each division and its programs could be the object of considerable analy-

sis and evaluation. Instead of focusing on all of them, we will highlight one program area: neighborhood development through community-based organizations, as this was central to the Washington development agenda. One division had major responsibility for this program area, but it touched the work of all the operating divisions. In addition, we will describe a number of large projects that we managed during the second half of the mayor's tenure.

Neighborhood Development Program

In 1983, DED supported 35 community based business development organizations, known to the bureaucracy as "delegate agencies." They provided a variety of services in their local neighborhood. This arrangement was politically controversial because in some respects it circumvented the political ward organizations. It was also a system that put Washington directly in touch with his grass-roots constituency, which was also why previous mayors supported the concept to some degree.

Up until 1983 there was little oversight of the delegate agency program. The thirty five groups receiving money were subject to few requirements, although some were performing quite admirably. To the extent there was an evaluation system, it was superficial. Funding was based on a three-year cycle, at which point the departments wished groups to be "self-sufficient." In reality, the criteria were unclear and few groups were ever defunded.

Based on campaign commitments and our philosophy of neighborhood development, we wanted to expand and improve the delegate agency program. We wanted to demonstrate that development services could be effectively delivered through community-based organizations. Within two years, the number of neighborhood-based organizations or citywide groups supporting the neighborhood effort receiving direct funding from DED had grown to more than 100.

The expansion involved four types of groups. First, there were new local businessmen's organizations being created, often encouraged by one of the major network organizations like CANDO or CWED. Second, there were groups in other functional areas, most often housing rehabilitation, who were broadening their work to include direct business assistance or development. Third, there were particular efforts to encourage business organization development in low-income areas such as within public housing projects. Finally, there were service groups brought in to provide technical assistance to new or growing neighborhood based organizations. For example, the League of Women Voters received a DED grant to conduct board training.

DED rewarded groups that developed business service capacity both by

giving them more money and letting them carry on a greater load of the work. When they evolved to what DED considered the most complete stage of development, they were given twice the amount of money any group had been given in the past. DED staff were then pulled out of that community. The local organization would become the city's first line of contact with businesses outside of the central area. This final stage of development was called the Local Industrial Retention Initiative (LIRI).[36]

The LIRI program originated in the field operations division of DED, run by Arturo Vázquez. It evolved from an identification of the half dozen local industrial councils or community organizations among those routinely working with DED that had the highest organizational capacity to step up their industrial retention efforts. DED and these groups tried to formulate a systematic and strategic methodology for dealing with industrial retention: what businesses should be approached; what should they be asked; what could be done to give them more confidence in the city; and, most importantly, what concrete problems could the city realistically tackle?

In varying degrees, other departments of the city that worked with neighborhood-based organizations were trying the same thing. The Department of Housing was supporting groups to rehabilitate housing for low- to moderate-income tenants. The Department of Human Services supported neighborhood-based social service providers. The Departments of Health and of Aging and Disability and the Mayor's Office of Employment and Training similarly were developing networks of neighborhood based service providers.

Evaluation of the Neighborhood Development Program

The program of support to more than 100 community development organizations made programmatic sense, policy sense, and political sense. But is was always a very tough program to manage because of the varying levels of capacity and performance from the groups.

Performance evaluation was very difficult and labor intensive. It exposed the uneven skills of our staff and their varying capacity to assist the groups and assess their performance. We needed an evaluation system that could minimize the risk associated with widely divergent groups and widely divergent staff skills. By supplementing our staff with outside evaluators drawn from local technical assistance providers, we developed a workable system. However, evaluations continued to generate discomfort among groups being reviewed. This process was essential both for our own internal purposes, and for the public and the city council.

Frequently, when we went before the city council, some delegate agency

contract was the object of council members saying "That group in my neighborhood isn't doing anything." We had to prove that they were doing something worthwhile. We were constantly risking being attacked for just dumping money on groups for political purposes. They really wanted to attack us on that and make the case that this was a political operation, not a professional operation.

Our critics could not make their case. In four years, they could not find a case to demonstrate that a group we proposed to fund was not performing adequately. This standard required accountability from groups, and every year we defunded five or six groups for nonperformance. These actions were often protested, but we held our ground. Opposition council members could never find a nonperforming group that we hadn't already found and were planning to defund.

The U.S. Department of Housing and Urban Development (HUD), which provided most of DED's funds through the CBDG, was auditing DED on a case-by-case basis. They investigated every group we were supporting and asked whether it met the HUD national standards. During the four years, HUD evaluated 100 percent of the DED projects. This close scrutiny created an atmosphere both within our staff and among business and community groups working with us that HUD was not supportive of what we were trying to do.

Large-Scale Development Initiatives

Several development initiatives were of such scale and importance that they transcended the capacity of any one department to direct. Examples include projects such as the renovation or replacement of professional sports stadiums, the construction of the new central library, the development of new transit stations and adjacent land, and the development of surplus land at the city's airports. Each of these projects involved tended to involve multiple departments from the development subcabinet, the city's legal and financial staff, departments with specific technical responsibilities like Public Works, and departments holding key assets such as land owned by Aviation or Public Works.

Since DED chaired the development subcabinet, and since the mayor wanted economic development considerations to be preeminent in these projects, its top management was expected to play a part in these projects. In addition, the mayor had gained confidence in our individual abilities to respond quickly and thoroughly to projects with complex requirements. Over time, Mier assumed major responsibility for many of them, and their

dictates were superimposed over the normal functions of the department.

To a degree, Mayor Washington undertook such projects reluctantly. They were not consistent with his development philosophy of small, widely dispersed projects with lots of opportunities for community involvement. The large projects risked activating the urban growth coalitions and having them again run roughshod over neighborhood interests. As Hollander also shows elsewhere in this volume, the mayor found he had little choice.

His first problem was that he had not been able to effectively market a "small is beautiful" development metaphor. This image never really took hold. Second, the media held him to a standard that would not have been placed on a white mayor. Reluctance to deliver megaprojects, the mayor increasingly feared, would be seen as fundamental evidence of his inability to govern, where it would be judged as strategic choice for a white mayor. Early in stadium deliberations, Washington told Mier that he believed if he lost a professional sports team, even to the suburbs, neither he nor any other black candidate for mayor could win the next election.

None of this was consolation to his community constituency, and these projects generated controversy. Neighborhood groups' views about the correct development course were clearly defined by their own interests. They tended not to prioritize projects with a citywide impact or benefit. Harold Washington's track record on major projects was not their concern. We will illustrate these dilemmas by means of the stadium projects and the new Central Public Library, projects for which one or the other of us had major responsibility.

The White Sox

There were three stadium projects that surfaced during Mayor Washington's tenure. Since the Bears and the White Sox wanted new stadiums, the initial efforts were focused on finding a site that could accommodate a new stadium complex. After some early consideration of a domed stadium, it became apparent that neither team wanted to play indoors or on artificial surfaces. Further, they had vastly different needs in terms of stadium size, with football seeking a 75,000-person stadium and baseball a 45,000-person one.

Other issues eroded the idea of a stadium complex. One team owner was reluctant to enter into any cooperative management arrangement with the other and was not confident that scheduling conflicts could be amicably handled. Also, the Bears wanted to own their own stadium, whereas the White Sox wanted a publicly built one.

By July 1986, any prospects for a stadium complex with two teams as

tenants evaporated. The White Sox then announced that they were going to leave Chicago to play in west suburban Addison, Ill. Needless to say, a community outcry erupted.

The ensuing "Save Our Sox" campaign was dominated by community activists who were more baseball fans than they were connected to the neighborhoods around Comiskey Park. Their organizing efforts were complemented by political activists seeking to build an organizational base in the communities adjoining the baseball park. They focused their attention narrowly—on keeping the White Sox in Chicago and retaining historic Comiskey Park. They built grass-roots support among White Sox fans. They did not really entertain the possibility that keeping the White Sox in Chicago might mean building a new stadium for them.

Importantly, we failed to expand the issue into a broad community context. This was the first of the big projects with a direct community impact. Further, it did not really "fit" in any department. As such, the team appointed to negotiate with the White Sox and the state, led by Mier and one of the mayor's key private sector advisors, Al Johnson, was always trying to borrow resources from departments.[37] City departments responded by trying to minimize staff effort.

By midfall 1986, support for the White Sox in Addison had eroded, and in early November they lost by a close vote in a local referendum. The White Sox were being quietly courted by St. Petersburg, Fla., and Denver, Colo. With the Illinois state legislature due to convene for a brief session in late November, a window of opportunity for the mayor to "Save Our Sox" opened. He seized the opportunity.

Things moved very quickly. In a matter of forty-eight hours after Thanksgiving, a deal got put together that kept the White Sox in Chicago but called for a new stadium to be built in the vicinity of the current Sox stadium. That choice was totally driven by costs—reusing existing infrastructure would save $30–50 million. Within five working days, it was passed by the Illinois General Assembly. The new stadium would be financed by rent paid by the team, supplemented with a new tax on hotel and motel rooms, a tax base that would not have been available for uses other than those seen as benefiting the "visitor industry."

In the short run, there was widespread euphoria. After Mayor Washington's death, much controversy erupted that warrants exposition elsewhere. In a nutshell, the White Sox walked away from the deal, raised the stakes, and forced another $150 million of public subsidy into the deal. Also, the Illinois Sports Facilities Authority, empowered with building the stadium, was accused of running roughshod over the community and, in so doing, exposed the lack of community roots in the original community organizing and city planning efforts.

The Bears

After the collapse of the stadium complex idea, the focus also shifted to the Bears. Two forces shaped the direction that deliberations with the Bears took. The Chicago Central Area Committee (CCAC) became a strong advocate for a privately financed stadium and stood poised to organize the business community to purchase the luxury seating that could make such a venture feasible. A West Side grass-roots organization, the Midwest Community Council (MCC), organized a campaign in 1986 to bring any new Bears stadium to their neighborhood.

Mayor Washington was initially reluctant to consider the West Side. Although there was considerable vacant land in the area being advocated by the MCC, there also remained a significant number of occupied housing units. In late 1986, he proposed a site immediately north of existing Soldier Field. To complement the privately financed stadium, he proposed demolition of Soldier Field, moving parking off the Lakefront to open up the space, and creation of a museum complex to segregate football fans from visitors to the Museum of Natural History, the Aquarium, and the Planetarium immediately north of Soldier Field.

His proposal was immediately scorned by Lakefront protection interests, and taken up as a major mayoral campaign issue by his opponents. Together, they captured the support of the *Chicago Tribune*, and the mayor reluctantly backed down. He created a site location committee with a goal of deflecting the issue until after the election.

We were reluctant to include the West Side site in the committee's deliberations, but a strong group of organizations in that area demanded its consideration. In mid-1987, the committee recommended the West Side site. In the course of the committee's deliberations, strong local opposition to the site also emerged.

The city project management team, again led by Mier and Al Johnson, initiated and managed a broader community planning process around the proposed Bears Stadium, one that should have occurred with the Sox. We realized the magnitude of the relocation problem on the West Side. We encouraged community debate and, working with both proponents and opponents, facilitated a process of community dialogue. We made a continual effort to reconcile community differences.[38]

As the community dialogue ensued, the cost of the community demands, although quite reasonable, began to mount. We pledged to address the community needs and decided to subsidize community improvements with tax revenues from the luxury seating that would exist in a new stadium. We saw this as an opportunity to implement development policies of balanced growth and linkages between large and small projects.

In the end, we proposed guaranteeing any dislocated household the op-

tion of physically moving and improving their home or building a new one of greater value. Further, we proposed holding them harmless for any increased costs they might encounter, such as increased taxes. We proposed a number of community facilities, like a library and park. Most of this would be paid from tax revenues derived from the luxury seating.

Pate Phillips, the conservative Republican leader of the Illinois State Senate gave the best testimony on the Bears deal. He looked at it and said, "This deal is dangerous. If we pass this it's going to set up a precedent that we can't live with elsewhere." After Mayor Washington's death, the General Assembly rejected the deal.

The Cubs

A 1982 proposal by the Chicago Cubs had aroused a firestorm of controversy in the neighborhood surrounding Wrigley Field. The well-organized, highly educated and articulate upper-middle-income community had engineered local and state legislation prohibiting lights. In 1984, the Cubs joined the chorus of dissident teams and proposed moving to the suburbs.

Mayor Washington agreed to take up the lights issue. He was partially motivated by a reluctance to avoid a thorny sports team issue affecting an upper-income white neighborhood when he was facing up to similar issues in poorer, largely black neighborhoods. Also, he saw the issue as a classic land use conflict and felt it had strong similarities to ones he faced in attempting to retain industry in Chicago.

He directed that an open, public process be undertaken to find a way to partially accommodate the Cubs, enough to make it difficult for them to leave the city. The process consisted of creating a negotiating committee comprising neighborhood residents, business leaders, and the Cubs. Their meetings were professionally facilitated, supported by considerable information gathering including the use of survey sampling, and a number of community meetings. A compromise resulted, hammered out over an almost two-year period, which placed severe limitations on the number of night games (eighteen) and which specified starting times, a curfew for alcohol sales, and stringent neighborhood parking restrictions. By all accounts, including those of the main "no lights" advocates, the solution has worked quite well.

Central Public Library

The possibility of a new Central Public Library was another such large public development. This was a project that had been on the agendas of at

least two previous mayors. Byrne's approach had been to put the new facility in a renovated department store on State Street—Goldblatt's. The site was subject to intense controversy, and the issue of the library project moved on to the mayor's large project development agenda by late 1985, around the time Moe moved back to the Mayor's Office. In a series of "mid-course correction" meetings during this time to critically assess what essential work was yet to be done, the central library emerged as a priority for three of the five subcabinets. This was largely due to the realization that the Washington administration had to demonstrate its capacity to effectively implement large-scale development projects. This was against the background of the administration's rejection of the World's Fair and inability to move the Navy Pier project in the face of opposition by the city council's opposition majority.

Because of the time pressure to deliver this project and in light of the controversy surrounding cost overruns at such other projects as the State of Illinois Center and at McCormick Place, the mayor was searching for an approach that would deliver this project on time and within the budget. It was also more subtle: we all understood the way large projects were done to enhance the functioning of traditional development networks, with featherbedding of consultant costs, inflated change orders, etc. We wanted to change this process. There was also a desire to change the process in a different way, by including a greater degree of public involvement.

The mayor established a Central Library Advisory Committee to counsel him on the specifics of the development approach, in particular, completing the library as "design-build" project. Using this technique, which Hollander describes in more detail later in this volume, bids would be solicited to design and build the library within a specific cost. The developer would be selected based on both design and cost criteria. And significantly, the developer would be selected by a committee following extensive public debate on the designs themselves. In this case the designs of the competing teams were on display at the Cultural Center and were the subject of extensive public hearings.

This approach was a fundamentally important departure from traditional approaches to development of such projects, not only in Chicago but in the nation. In choosing the design-build approach, the mayor clearly understood that he was authorizing a procedure that was completely insulated from political influence in the development process, even influence that might work to his advantage.

The process worked beyond our imagination. Thirty thousand people viewed the design entries at the Cultural Center. In effect a constituency for the new Central Public Library was developed through the process. Construction began in 1988.

Assessment of Large Projects

Our involvement with large scale projects convinces us that it is both necessary and possible for a progressive local government to undertake them. To a degree, community attitudes toward large projects have been conditioned by decades-old "downtown vs. the neighborhoods" community-organizing emphases. These emphases were given teeth by the paternalistic tendency of old-fashioned politics, exemplified by the handling of the World's Fair by the Byrne administration, to treat large projects as too important to involve common people.

But by 1987, the large-scale projects were being undertaken as if community people mattered. The Central Public Library, fittingly named for the mayor after his death, may best exemplify this change in attitude. People throughout the city seem to claim ownership and, through it, can see a public interest that transcends local, community interests. Finally, this public interest had been given teeth during the tenures of Mayors Washington and Sawyer by tight fiscal management and vigorous pursuit through contracting and purchasing of equal opportunity goals.

Conclusion: What Did We Accomplish?

An action-based view of planning requires ongoing self criticism. During 1983–1987, we continually assessed what we were doing, and we would like to share some of our observations.

On the whole we are comfortable in saying that we achieved a lot of what we set out to do. This included substantial work with and in neighborhoods, most involving concrete projects: facilitating community-based development, helping smaller businesses, and encouraging housing construction and rehabilitation. We also made headway on the large projects—Southwest Rapid Transit, the stadium deals, and the Central Public Library—but believe we undertook them in ways to make them less onerous to neighborhood people.

We emerged from our experience with a powerful sense of the importance of basic service delivery. Despite our emphasis on process and planning, we spent the majority of our time trying to deliver projects and programs. Yet, in thinking about accomplishments, it is important to reflect again on the environment within which we were working. Harold Washington took office in the trough of the 1981–1983 recession, and the so-called Reagan recovery was slow to reach Chicago. Unlike previous

Chicago mayors, he did not enjoy the confidence and support of the Democratic political establishment at either the national or local level. In a pattern quite dissimilar to that of other cities undertaking government management reform, he received only limited business community support until after the 1986 special aldermanic elections that gave him control over the city council. Finally, he inherited a bureaucracy dominated by political appointees of his local opposition who hardly saw it in their interest for Harold Washington to succeed.

We came to appreciate that the structure of local power was more complex than we realized in 1983. The entrenched machine the mayor sought to dissolve had substantial influence, if not outright control, over most of the major local public and private institutions. These included the sister local governments: the Housing Authority, the Transit Authority, the city colleges, the Board of Education, and the Park District. The machine's influence reached deep into major financial and legal establishments, the unions, and even the Catholic church. In fact, the metaphor of a machine is quite misleading. A machine operates in a consistent and predictable way. A weed, with its ever-spreading roots and tenacity, is a better metaphor.

The idea of a "power elite" had always been abstract to us, but our experience in government brought it to life. In Chicago, it is not a small, tightly knit club, but a large, multilayered, informal network bound together by corporatist ideology. It was an ideology that had a difficult time accommodating the notion of a strong black mayor.

In addition to these obstacles, Mayor Washington faced enormous fiscal constraints. He inherited a $168 million current operating deficit, and in his first term saw federal revenue sharing decrease by a total of almost $200 million. He found little slack in the local budget, with almost 70 percent of the resources committed to provision of police, fire, and sanitation services. These areas of increasing public demand for expansion were virtually immune to efficiency improvements.[39]

In light of these realities, Mayor Washington had to reach beyond usual constituencies for support and encouragement. He found it both in the base that elected him and in some new places. Within the base, the black churches and black talk radio continued to provide important forums to exchange ideas and solicit support.[40] Within the white community, civic groups like the League of Women Voters afforded him the respect they traditionally showed all Chicago mayors. Within the Hispanic community, local business groups became important connecting points. Across all parts of the city, community-based organizations played a crucial support role, including areas of the city, like the Northwest and Southwest Sides, which had voted overwhelmingly against Washington in 1983. Given the historical connection between the community development movement and

Washington's election, community-based organizations became an essential constituency supporting the mayor's development agenda.

From the perspective of efforts within government at policy and program development and implementation, support of community-based organizations was a powerful countervailing force with which the mayor could face entrenched political or bureaucratic interests. In some cases, the quality of the support was so rich that the mayor could move boldly. Examples include the Playskool suit, the shutdown of Community Development–funded departments in 1985, and pursuit of Planned Manufacturing District designation.

We constantly were aware of the fragility of relations with community-based organizations: many of our staff felt them to be alien and hostile, and the community organizations themselves were walking fine lines between being helpful and feeling co-opted. This led to a growing frustration on their part. The large-scale projects placed a particular strain on the relationship. Nonetheless, the continued capacity development of community-based organizations and their sophistication at agenda setting may be one important legacy of the Washington years.[41]

With the backing of community-based organizations, we were able to do many things differently. Most important among them was to attack discrimination and to vigorously pursue equal opportunity programs. For example, in the ten years prior to Washington taking office, the Department of Economic Development and its predecessor, the Economic Development Commission, had concluded nine financial deals involving minority firms; within three years of Harold Washington's inauguration, we concluded sixty.

This achievement had multiple roots. Most important were the development of a small business lending program, which previously the city didn't have, and the recruitment of black and Hispanic professionals to the staff so applicants could talk to people more understanding of their situation. With these and comparable accomplishments, we believe we significantly changed the nature and distribution of the outcomes of government development efforts.

Our initial expectation that local government could play an substantial role in illuminating issues was borne out. It had capacity to focus attention, shape debate, endorse or invent language, and influence forums. In the context of promoting participatory decision making, this is a powerful conception of planning's role.[42]

Only history will judge whether the changes we implemented will stand the test of time. Certainly we were aware that a progressive local government in Chicago would likely be temporary, and we constantly tried to institutionalize our progress. Three means stand out. First, we recruited

talented and politically progressive people into the bureaucracy. Many of them are still there, we're glad to note. Second, we tried to fix with tradition and law means of opening up government information to ordinary citizens. An example is the Freedom of Information executive order. Finally, by bringing all interested parties to the tables of discussion and debate, we hoped to build both capacity and expectation in citizens to participate in government decision making. Harold Washington was a great believer in democracy, and these means were vital to him. Ultimately, their stability and significance, we believe, will hinge on the state of race relations in Chicago.

We came away with a humbling sense of the enormity of the issues of poverty and race. Poverty seems an overwhelming issue. Partially, we feel this because we had little chance to address it without control of vital service institutions like the schools and the Housing Authority. In Chicago, the racial issue is possibly even more intractable. Because poverty and race are so intertwined in this society, the inability to deal with race is a major cause of the inability to deal with poverty.

We hope that our enthusiasm and commitment has come through on these pages. What is probably less clear is the raw intensity of the effort demanded. For example, the amount of time and effort necessary to effect public dialogue across races and classes while also managing a large public bureaucracy is almost beyond description. We found ourselves working some 80–100 hours a week, year in, year out; Harold Washington seldom put in less than a 120-hour workweek. We found a constant need to network with reform-minded individuals outside government to check our progress, solicit new ideas, and garner support. Like the mayor, we liberally handed out our office and home phone numbers to everyone who wanted to share an opinion, favorable or otherwise, about our progress. We constantly struggled to find language and metaphors, like the development logo "Chicago Works Together," that could ease our work in a multirace, multiclass development environment.

In the flush of election victory, we joined the Washington administration believing a lot of the hard work had been done. We felt that relative to the demands of implementing an agenda, the hard tasks had been policy planning, program development, and political mobilization. Our priorities are now reversed: we believe that organizational development and program implementation is the most difficult job.

But we have faith and remain inspired by our great mentor, Harold Washington. Shortly before his death, in his annual State of the City address to the League of Women Voters, he said in reflecting on his accomplishments:

In years past, through some of the healthiest and happiest periods in

our country's life, there was an active federal–urban partnership that flourished and nourished not only our cities, but the suburbs around them. But the spirit of those bright days has been eclipsed by a new ethic of sink-or-swim, a mean-spirited myopia that can focus only on the bottom line, blind to the crisis we are creating at our lowest income levels—or the growing sense of dread among those with fixed incomes—or the creeping anxieties of our middle classes.

We must counter that specter of despair with the New Spirit of Chicago. We have proven to ourselves that change is possible in our own city. And we have taken the national leadership among cities, in working for change in Washington, D.C. The federal budget is our business. Our country's foreign trade policy is our business. Our country's economic policy is our business. Every policy that affects jobs, education, housing, is our business. We have a direct interest in federal policies toward the poor, the homeless, the aging, the disabled, mothers and children, and all those others who have been thrown at our doorstep by a federal administration in retreat from reality.

And so I ask for your hand and for your voice. Lend a hand to help your city, in our efforts to "do for ourselves." And let your voice be heard as we make our case at the federal level, where the responsibility for our cities must ultimately lie. Working together, we can build on the progress of the past four years, to meet challenges of the years ahead.[43]

NOTES

1. See Robert Mier, "Academe and the Community: Some Impediments to Professional Practice," *Journal of Planning Education and Research* 6, no. 1 (1986), 66–70.

2. Several authors of chapters in this book have played prominent roles with several of these organizations. Bob Giloth directed Eighteenth Street Development Corporation, Bob Brehm directed Bickerdike Redevelopment Corporation, and Doug Gills has worked for KOCO.

3. A founding staff member and the director since Mier went to the city is Wim Wiewel, coeditor of this book.

4. Moe and Donna Ducharme were students, and Jody Kretzmann, Hal Baron, and Lu Palmer were professors. Ducharme and Kretzmann are authors of other chapters in this book. Baron was Washington's chief policy advisor. Palmer headed an organization, Chicago United Black Communities (CBUC), that played an important role in Washington's candidacy.

5. These interests included the Chicago Central Area Committee (CCAC), the Metropolitan Planning Council, and later the Commercial Club. The *Chicago Tribune*, a long-standing growth advocate, did a critical series that examined the city's Economic Development Commission and its lack of a comprehensive game plan; see Richard Longworth, "City on the Brink," *Chicago Tribune* (May 10–14, 1981).

6. For example, the coalition to stop the Chicago 21 Plan proved to be a training ground for some of the key leaders of the coalition that fought the World's Fair; see Anne B. Shlay and Robert P. Giloth, "Social Organization of a Land Based Elite: The Case of the Failed Chicago 1992 World's Fair," *Journal of Urban Affairs* 9, no. 4, (1987) 305–324. The plan was prepared for the CCAC by the architectural firm of Skidmore, Owings and Merrill; see Chicago Central Area Committee, *Chicago 21: A Plan for Chicago's Central Area Communities* (Chicago: 1973). The CCAC historically has been composed of the major central area property interests—real estate developers, banks, utility companies, the newspapers, etc.

7. New organizations emerged as a consequence of that broadened debate. In Pilsen, the Pilsen Housing and Business Alliance (PHBA), led by Arturo Vázquez, was created to focus on the gentrification issues of east Pilsen, the area closest to the central area.

8. See Robert Mier, "City Official Rebuts *Tribune's* Development Series," *Chicago Tribune* (October 16, 1986), Sec. 4, p. 1ff.

9. See John Forester, *Planning in the Face of Power* (Berkeley: University of California Press, 1989), for a more general treatment of this phenomenon.

10. The team included Giloth, Greg Longhini, currently the assistant to the commissioner of planning at the city, Joel Werth, former deputy press secretary to Acting Mayor Eugene Sawyer, and John-Jairo Betancur, currently a research assistant professor in UICUED. See Marianne Nealon, "Factors Related to the Intention of Chicago Manufacturers to Relocate from Their Sites" (Master's project, School of Urban Planning and Policy, University of Illinois at Chicago, 1977).

11. See, for instance, Robert Mier, Joan Fitzgerald, and Lewis A. Randolph, "African-American Elected Officials and the Future of Progressive Elected Movements," in David Fasenfest, ed., *Economic Development Policy Formation: Experiences in the United States and the United Kingdom* (New York: St Martin's Press; London: Macmillan, forthcoming).

12. CRS is a civic organization sponsored by the United Church of Christ. Its mission throughout its 100-year history in Chicago has been the care for and development of low-income communities.

13. CWED was chaired by Arturo Vázquez of PHBA and Squire Lance of the Englewood Businessmen's Association. Vázquez would subsequently become a deputy commissioner of economic development, then the director of MET (the Mayor's Office of Employment and Training) under Acting Mayor Sawyer. Lance was a former executive director of The Woodlawn Organization (TWO).

14. Its incorporation papers were signed by Mier, Gills, and Vázquez. Moe stopped working for CWED in November and was replaced by Tom Carlson. Carlson, an ordained United Church of Christ minister, had previously worked at CRS, CWED's original sponsor, where he had undertaken a variety of community development projects.

15. In an effort to broaden the base of support for the boycott beyond the black community, the "Committee of 500" was formed of white, Latino community, and labor leaders. It was cochaired by Vázquez and Uptown activist Slim Coleman. On this and the straw poll see Abdul Alkalimat and Douglas Gills, *Harold Washington and the Crisis of Black Power in Chicago* (Chicago: Twenty-first Century Books, 1989).

16. Baron was a former research director for the Chicago Urban League and was a faculty member of the Urban Studies Program of the Associated Colleges of the Midwest when Moe was a student there. He coordinated program development for Washington during his unsuccessful 1977 run for mayor. Baron later joined the Washington administration as the chief policy advisor. Bakeman was the president of a social service consulting agency, a faculty member of Kennedy–King College, and chair of the coordinating body of Washington's issues teams in the 1st Congressional District. He also served as an ad hoc advisor to the Mayor's Policy Advisory Council (MPAC).

17. See Committee to Elect Harold Washington, *The Washington Papers* (Chicago, 1983).

18. See Alton B. Miller, *Harold Washington: The Mayor, The Man* (Chicago, Bonus Books, 1989); and Dempsey Travis, *"Harold," The People's Mayor: An Authorized Biography of Mayor Harold Washington* (Chicago: Urban Research Press, 1989).

19. Washington had clearly impressed the members of the Congressional Black Caucus. To his credit, several of them campaigned and raised funds for him during the primary and general elections. Beyond the Black Caucus, leaders such as the late Congressman Claude Pepper of Florida campaigned for Washington because of his commitment to the issues.

20. See Washington Transition Committee, *Toward a Prosperous, Compassionate and Efficient Chicago* (Chicago, 1983), pp. 129–152; and Alkalimat and Gills, *Harold Washington*, pp. 128–141.

21. Moe served as the keeper of the "Washington record" from the beginning through the 1987 election. Much to his credit, Washington supported the generation of both internal and external reports on the Washington record in comparison to his campaign commitments in years two, three, and four. We know of no other elected officials who were so willing to be held accountable. Moreover, the public release of this information helped him create a constituency to hold his own cabinet members accountable.

22. Mier, Ros Paaswell as first deputy commissioner of economic development, Milam Fitts, Rodrigo Del Canto, and Steve Alexander as deputy commissioners of economic development, Wayne Robinson as first deputy corporation counsel and then chairman of the Plan Commission, and the late Winston Mecurius as director of research in MET.

23. We are laying the foundation for an interpretative approach to evaluation in the spirit developed in Peter Marris, *Meaning and Action: Community Planning and Conceptions of Change* (London: Routledge & Kegan Paul, 1987); and Peter Marris and Martin Rein, *Dilemmas of Social Reform: Poverty and Community Action in the United States* (Chicago: University of Chicago Press, 1982).

24. In fact, like James O'Connor, *The Fiscal Crisis of the State* (New York: St.

Martin's Press, 1973), we believe that some of those functions are inherently contradictory.

25. See Ann Markusen, "City on the Skids," *Reader* (November 24, 1989), 1ff.; Robert Mier and Irene Sherr, "A Review of *The Contested City*," *Journal of the American Planning Association* 50, no. 4 (1984), 542–543; and Robert Mier, Kari J. Moe, and Irene Sherr, "Strategic Planning and the Pursuit of Reform, Economic Development, and Equity," *Journal of the American Planning Association* 52, no. 3 (1986), 299–309.

26. See Robert Mier and Howard McGary, "Social Justice and Public Policy," *Educational Studies* 8 (1977), 383–393.

27. We say this fully aware that the history of neighborhood organizations in Chicago contains a strand that is built on institutionalizing racism. Philpot reports that Chicago's first neighborhood organization was a "conservation association" organized to fight for restrictive property title covenants; see Thomas Philpot, *The Slum and the Ghetto* (New York: Oxford University Press, 1975).

28. See Brehm's chapter, as well as Robert Giloth and Robert Mier, "Democratic Populism in the U.S.: The Case of Playskool and Chicago," *Cities: The International Quarterly on Urban Policy* 3, no. 1 (1986) 72–74.

29. At the beginning, getting control of the core city departments was extremely difficult; getting even the most basic information out of the other local governments (the Board of Education, Chicago Transportation Authority (CTA), Chicago Housing Authority (CHA), the city colleges, and the Park District) was next to impossible. The city council effectively blocked the mayor's appointees to these boards until two and a half years into the first term.

30. The unit in the Department of Neighborhoods that was transferred to DED had itself been created in 1979 when some units out of the Department of Human Services had been transferred to Neighborhoods.

31. DED extensively used industrial revenue bonds, and considered this almost singular tool an industrial policy. See Robert Giloth, "Industrial Development Bonds in Chicago, 1977–1987: Subsidies for What?" (Ph.D. dissertation, Department of City and Regional Planning, Cornell University, 1989).

32. This was a major problem for the entire Washington administration. Most of the mayor's supporters did not have experience in government. We needed people who were committed to the agenda, loyal to Washington, and technically competent. This proved to be extremely difficult for all five years.

33. See Mayor's Commission on Latino Affairs, *Chicago Hiring Update* (Chicago, 1984).

34. An important distinction from classical reform efforts was Washington's emphasis on accountability to *all* citizens rather than some form of elite accountability. See Samuel P. Hays, "Reform in Municipal Government," in Allen M. Wakestein, ed., *The Urbanization of America: An Historical Anthology* (Boston: Houghton Mifflin, 1970), pp. 288–314.

35. In reviewing the development plan, Krumholz et. al. say: "The *Chicago Development Plan 1984* is the strongest indication thus far that American cities are willing to harness economic development for their disadvantaged residents. It is virtually certain to be the forerunner of similar plans, especially in cities where the political power of blacks and Hispanics is on the rise." See Norman Krumholz,

Patrick Kostigan, and Dennis Keating, "A Review of *Chicago Works Together: 1984 Development Plan*," *Journal of the American Planning Association* 51, no. 3 (1985) 205–206.

36.   We acknowledge this is a form of "privatization," although one with substantially more community control than is normally associated with the term. We also note our emphasis on "industrial" over "commercial."

37.   Johnson was one of the more prominent black businessmen in Chicago. A former hospital administrator, he acquired the nation's first minority owned automobile dealership in the late 1960s. He became an important financial supporter of Operation PUSH and was the chairman of the Political Action Conference of Illinois (PACI). PACI played a major role in advancing the Illinois congressional, legislative, and aldermanic redistricting suits. Johnson was a significant financial backer of Harold Washington's 1983 and 1987 campaigns, and served Washington as an ad hoc special assistant on business affairs and a member of MPAC.

38.   The group leading the opposition was the Interfaith Organizing Project (IOP). IOP now is representing the community in negotiations with the owners of the Chicago Bulls and the Chicago Blackhawks to build an indoor arena at the same West Side site.

39.   To be blunt, the white neighborhoods felt unsafe with a black mayor, and Washington's opposition exploited those fears. For example, in 1984, Washington attempted to reduce the police force by 500 uniformed personnel, from 12,000 to 11,500. He argued that Chicago's force was one of the largest, on a per capita basis, in the country. By the time the city council opposition had fanned the flames, the police force was *expanded* to 12,500.

40.   See Miller, *Harold Washington*.

41.   See Robert Mier, Wim Wiewel, and Lauri Alpern, "Decentralization of Policy Making under Mayor Harold Washington," in Kenneth Wong and Laurence Lynn, eds., *Policy Innovation in Metropolitan Chicago* (Greenwich, Conn.: JAI Press, 1992).

42.   See Forester, *Planning*.

43.   Reprinted in Alton Miller, *Climbing a Great Mountain: Selected Speeches of Mayor Harold Washington* (Chicago: Bonus Books, 1989), p. 186.