
ORGANIZING FOR EQUITABLE ECONOMIC DEVELOPMENT

The Significance of Community Empowerment Organizations for Unions

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In response to the pervasive pursuit of low-road economic development strategies, several local unions have taken the lead in devising high-road strategies for their local economies. Unions are known for their involvement in economic development at firm, industry, and national levels, but initiatives to recast the economic development process at the community level constitutes a departure. Through its endorsement by the Working for America Institute, the departure has gained the support, if not financial backing, of the AFL-CIO. Given the newness of these initiatives, their potential impact remains to be determined. However, examining the organizations already operating on this urban terrain, community-based development organizations (CBDOs), affords a useful perspective for assessing the implications of the newest union tactic for advancing economic development goals.

Based on their historic roles in the New Deal system for governing U.S. economic development, unions and CBDOs are logical allies. Although their respective dates of incorporation into the system differ—unions, beginning in 1935; CBDOs, beginning in 1964—the government’s rationale for their inclusion was the same: to include within the economic development governance structure institutions that were dedicated to ensuring the system’s equitable operation. Unions were responsible for gaining justice for wage workers; CBDOs, for achieving justice for residents of low-income neighborhoods. The terms of incorporation did not preclude the institutional agents most responsible for reproducing inequality from undercutting union and CBDO efforts to advance equality. Businesses and governments, even when paying lip service to the importance of unions and CBDOs for expanding equality, repeatedly hampered their “junior partners” from carrying out their designated roles.

Despite their commonalities, unions and CBDOs are known for their differences. This circumstance is also tied to their participation in the New Deal economic development system. Within the system’s governance structure, unions

and CBDOs were positioned apart from each other, defined by the ways in which the interests of their respective constituencies diverged rather than by their constituents' common interest in expanding equality. This disconnection was reinforced by the New Deal system's mode of operation. The government charged different collective agents with controlling different dimensions of development to achieve economic stability, security, and equality. However, in the absence of governmental coordination to realize these public purposes, the system's more powerful agents disregarded the public's interest where it conflicted with the pursuit of their private interests. In a system whose commitment to eradicating inequality proved to be more nominal than real, unions and CBDOs were left to frame separate strategies for advancing equality.

Impediments to the work of advancing equality have only increased with the system's "neoliberal" restructuring, whereby government has outsourced ultimate responsibility for governing economic development to markets. Because market outcomes are shaped by the power differentials among market participants, the government's restoration of market governance has restored the power imbalances that the New Deal governance system was intended to overcome. In addition to sacrificing the governance role of unions and communities to that of businesses, the government's retreat from "mixed" governance since the 1980s has also entailed abandoning economic equality as a public policy priority. By undermining the high-road foundations that supported the creation of a broad middle class, neoliberal policies have fostered a dramatic reversal. Low-wage jobs and increasing inequality are once again defining characteristics of the U.S. economic system.

Union efforts to deal with the current system have primarily focused on counteracting its inegalitarian effects. But these efforts have also led a growing number of unions to address the system configuration responsible for these effects. Unions have challenged public and private versions of neoliberal economic development, while actively seeking a new basis and new partners for restoring a high-road approach. To the extent that unions are engaged in restructuring their organization and operation to assert control over economic development, they are replicating the approach taken by leading CBDOs over the last two decades. As a result, the historic differences between unions and CBDOs are increasingly overshadowed by their convergence on parallel empowerment strategies for advancing equality.

Union-CBDO relations are also being altered by a second dimension of the union response to neoliberal economic development. Seeking to regain power lost in the turn from New Deal to neoliberal governance, local unions are turning to their communities. More precisely, unions are returning to the communi-

ties whose interaction with the “new unionism” of the 1930s created the political power base responsible for New Deal labor reform and union inclusion in the economic development system. Unions are repositioning themselves on the urban terrain that enabled unions to frame workers’ demands for justice as a social demand and to embed workers’ organizations within a social movement. Even as they echo the past, union efforts to reground their reempowerment in their “home” turf alter the present. In many cities, the union turn to communities means that unions are operating in the same communities as CBDOs. In addition to their convergence on parallel empowerment strategies, unions and CBDOs are operationally aligned in ways that foster their collaboration in implementing these strategies.

The prospects for union-CBDO collaboration are increased by the mutual benefits that full collaboration would make possible. Collaboration to control economic development for equitable outcomes would establish a new organizational foundation for unions and CBDOs to carry out their historic roles of expanding equality, enabling both institutions to expand the capacity and reach of their individual programs. Collaboration would necessarily reconfigure the governance framework responsible for undermining union and CBDO efforts. Instead of debating how to begin reconfiguring the existing governance structure, attention could shift to expanding collaboration to other community partners for maximum reconfiguration.

These possibilities are only significant to the extent that the present moment constitutes a turning point in union-CBDO relations. It is equally true, however, that much of the potential contained in the present juncture is derived from constructive interaction between unions and community organizations at similar junctures in the past. In other words, the union-CBDO relationship is the most recent iteration of a longer relationship between unions and community organizations, and the long-term relationship features collaboration. Moreover, the content of previous collaboration has been the common pursuit of empowerment: working in concert to create organizations capable of altering the existing economic development power structure and exercising control over the economic development process. The present moment is auspicious because the obstacles to collaboration in the recent past are no longer operative, and both partners are focused on empowerment agendas that are community based.

To assess the potential of the growing convergence between unions and CBDOs on empowerment agendas for economic development, in this chapter I survey current union-CBDO relations from the perspective of their neglected history. This perspective suggests why the relationship has been dormant and highlights how changes in the community side of the relationship enable the

relationship to be established on a new footing. Due to their extensive practical experience in community-controlled development, CBDOs bring to the relationship an unprecedented capacity to promote equitable economic development.

ORGANIZING TO CONTROL COMMUNITY DEVELOPMENT: THE CBDO EXPERIENCE

As the term implies, CBDOs are a specialized category of community organization, focused on increasing community residents' share of the benefits derived from economic development by involving residents in the development process. The term is relatively recent, originating with the community development corporations (CDCs) established since the 1970s to conduct economic development projects in, and for the benefit of, impoverished communities. To acknowledge the fact that CDCs are not the only community organizations functioning as bottom-up development organizations and to encompass the variety of organizations in this category, I follow the convention of using the broader term, CBDO.

Origins: The Empowerment Model of Community Organizing

Viewed from the perspective of the history of community organizing in the United States, it is evident that some community organizations inhabited the CBDO category before it was enunciated. Particularly relevant to the prehistory of CBDOs is the "empowerment" model of community organizing. The invention of the empowerment model effectively reinvented community organizing in the United States, by adding a political activist approach to the social work and neighborhood improvement traditions. As first enunciated by organizer Saul Alinsky, the model responded to the unequal incomes and living standards in many U.S. communities, by locating the roots of their residents' inequality in the unequal control they possessed over their lives and building community organizations with the power to overcome their inequality and powerlessness. Successive iterations of the community empowerment model have informed the community organizing that accompanied the labor organizing of the 1930s, the social movement organizing of the 1960s, and the urban organizing of the 1970s and 1980s variously described as "citizen action" or "new populism" (Fisher 1994, 46–59, 91–109, 121–52; Frost 2001, 71–117).

The community empowerment model's construction and evolution is central to this chapter for more specific reasons. First, the model has union roots. Because

unions were central to the model's birth in the 1930s, the empowerment model of community organizing was significantly influenced by union conceptions of empowerment. Second, the empowerment model's continuing reliance on the human resources provided by community residents—in Alinsky's words, on "people power"—led to a conception and practice of community empowerment that includes elements not present in the union version. Community organizing to empower residents to gain the benefits of economic development initially imitated, even as it elaborated on, labor organizing: mobilizing residents to bargain with and compel concessions from those controlling the development system. However, in the face of unyielding opposition to these efforts, some community organizations expanded their empowerment agenda to include residents gaining direct control over the development process within their communities.

The bargaining-to-control transition was not a simple progression, nor was it continuous. One of the community organizations in Alinsky's organizational network first established community-controlled development in the 1960s, but the achievement proved to be temporary. Community organizations were able to reestablish community-controlled development in the 1970s and 1980s, by merging the empowerment model of community organizing with the CDC model of community development to form an "empowerment CBDO" (my term). Recurrent union efforts to make the move from exercising indirect control over economic development to gaining direct control are well known. But so are the unsatisfactory results. The union record imparts additional significance to identifying the dimensions of the community empowerment model that have enabled CBDOs to make the move.

Alinsky's Contribution: Community Organizing as Labor Organizing

The empowerment model's beginnings date to Alinsky's work in the 1930s to build a new type of community organization. As a University of Chicago graduate student, he participated in sociology department programs to create community organizations to combat the "community disorganization" afflicting poor ethnic neighborhoods. The program was based on the assumption that disorganization was rooted in cultural differences that these neighborhoods sustained, creating conditions of "cultural deprivation." Accordingly, the purpose of community organizing was to foster the social integration of community residents by facilitating their cultural assimilation (O'Connor 2001, 26–53). Alinsky became critical of the program's emphasis on cultural sources of disorganization to the exclusion of political sources—in particular, the power that businesses and governments exercised over neighborhood residents' lives. Through his contact with

CIO unions, which were organizing in the same working-class neighborhoods, Alinsky discovered an organizing approach that addressed his concerns. He was particularly drawn to CIO organizing techniques that empowered workers to function as a union on the shop floor before the union was formally established or recognized by the employer. Exposure to the CIO model of labor organizing inspired Alinsky to recast the Chicago sociology model of community organizing, by locating the issue of power—specifically, the need for the powerless to confront the powerful in order to gain control over their lives—at its core (Alinsky 1972).

The union influence on Alinsky's initial experiment with organizing for empowerment was as direct as it was profound, prominently featuring collaboration with the Packing Workers Organizing Committee (PWOC). To create the solidarity required to force Chicago's Big Four meatpackers to bargain with their workers, PWOC's Herb March sought to connect PWOC's organizing efforts with community organizations that did not reinforce workers' ethnic divisions. Since such organizations were both scarce and confined to providing youth programs, Alinsky responded by forming a new organization. Founded in 1939, the Back of the Yards Neighborhood Council (BYNC) sought to unify Polish, Slovak, Lithuanian, Bohemian, and Irish residents behind the goal of improving their collective welfare. Since the income of most households came from working in the meatpacking plants, translating this general purpose into the immediate goal of pursuing wage increases was not difficult. Identifying the basis for unifying all ethnic groups behind this goal was. The obvious cultural connection, the Catholicism that the ethnically defined groups held in common, was routinely linked to ethnicity in ways that reinforced division. As a result, BYNC organizers appealed to workers' common religious bond, but in carefully chosen terms. Working with younger priests, they focused the community's religious attention on *Rerum Novarum*, the papal encyclical that endorsed the right of workers to organize in order to improve their working conditions and living standards (Horwitt 1989, 55–71; Slayton 1986, 189–211).

By successfully articulating a shared purpose and rationale, the BYNC was able to bring about unprecedented collaboration between the neighborhood's two most important institutions, the Catholic Church and the meatpacking union. With representatives of the churches and the PWOC constituting the new organization's core, the BYNC garnered widespread support from residents. By engineering the joint appearance of Bishop Bernard Sheil of the Chicago diocese and the CIO's John L. Lewis at a massive public rally for the PWOC, the BYNC dramatically demonstrated its distinctive contribution to working-class solidarity. By extending their reach to include city hall support, the BYNC served as the pressure group that brought meatpacking companies to the bargaining table. When

the companies conceded to demands that were as much the community's as the union's, there was no doubt about the BYNC's capacity to confront Chicago's power structure by building a community form of institutional power (Alinsky 1972; Fisher 1984, 51–54; Horwitt 1989, 71–81).

In 1940 Alinsky established the Industrial Areas Foundation (IAF) for the purpose of building “people’s organizations” like the BYNC in working-class neighborhoods of other industrial cities. He envisioned the IAF as a national movement of community organizations working in collaboration with the labor movement to gain justice for working-class Americans. IAF organizations became known for their success in adapting labor organizing tactics—strikes, pickets, boycotts, sit-ins—to community situations and in devising new techniques for exerting pressure, from mass disruption of business operations to public embarrassment of officials to proxy voting at annual stockholder meetings. The aim of these tactical innovations, as in the CIO organizing model that inspired them, was empowerment through confrontation. In Alinsky’s community version of compelling justice from the power structure, confrontations were staged between the communities experiencing inequality and the institutions capable of redressing their unequal status. In practice, such confrontation entailed mobilizing a community’s institutional resources within a single community organization. The resulting “organization of organizations” assumed the responsibility for defining and implementing an action program focused on targeting “enemies” of justice and pressuring them into a negotiating posture (Alinsky 1971; Fisher 1984, 47–51).

Alinsky’s structuring of a community organization as an “organization of organizations” was central to his vision of constructing a “people’s organization” capable of generating “people power.” A structure for realizing community control could have been established by making membership individual rather than organizational. But an individual-membership organization contradicted Alinsky’s CIO-shaped assessment of the organizational form required to empower disenfranchised communities. Because communities were controlled externally by institutions that exercised their power by working in collaboration, challenging this power structure required communities to create a parallel institutional power. Deeming a coalition of community institutions to be necessary from the inception, Alinsky built collaboration into the new community organization. His organizational structure imitated the structure of national CIO unions, rather than that of union locals, since he sought to create within communities the power that CIO unions exercised within industries. The resulting organization was meant to provide for communities what the CIO was providing for workers: the same means of empowerment possessed by business and political elites (Betten and Austin 1990, 152–61).

TWO's Contribution: From Indirect to Direct Control

In 1959, at the urging of black community leaders, Alinsky formed the first IAF organization in a black slum neighborhood, The Woodlawn Organization (TWO) in Chicago. Alinsky was initially hesitant about crossing America's color line, concerned that the racial divide might prove an insurmountable obstacle for the organization to overcome. But TWO proved to be another IAF success story, winning the customary IAF victories: empowering Woodlawn's residents to secure jobs from businesses along with job training programs, affordable housing, and improved services from the city. In the end, TWO not only inspired the creation of additional IAF organizations in other black neighborhoods but added new elements to the IAF model. The additions resulted from TWO's ability to turn an "urban renewal" program into an opportunity for a community-defined version of comprehensive community redevelopment. TWO members successfully insinuated their organization into the development process by establishing TWO's capacity to function as part of the system controlling development. TWO thereby became the first community organization to assert control over the planning and implementation of its systematic revitalization (Alinsky 1972; Horwitt 1989, 363–449).

TWO's organizational development altered the IAF's economic development horizon. By the 1950s, IAF organizations were well known for their incremental approach to economic development, starting with the lowest common denominator issues and progressively setting and achieving more expansive goals. TWO's achievements recast the endpoint of the organizing process: not simply aiming to compel justice from those outside the community controlling the allocation of development resources but also seeking to acquire direct community control of resource allocation to ensure justice. TWO's alteration of the IAF model was itself incremental, making successive additions that extended the model to its logical conclusion. But the impact of arriving at the conclusion was transformative. Before TWO, the community control exercised by IAF organizations over economic development was indirect, pressuring institutions possessing control to do the right thing. To the IAF repertoire, TWO added direct instruments of control. After TWO, community empowerment encompassed possessing the power to plan and implement development inside the community, along with the having the power to compel concessions from those possessing the power to plan and implement development outside the community.

From the perspective of what came before, TWO represented the culmination of Alinsky's attempt to make altering power relations into the crux of community organizing. From the perspective of what was to follow, TWO provided a CBDO version of the empowerment model before CBDOs officially came into

existence. However, in the 1960s TWO's impact was defined by immediate considerations, not long-term perspectives. In the face of opposition from city government, TWO's success proved to be temporary. In the face of co-optation from the federal government, the empowerment model of community organizing was transformed in ways that obstructed, rather than fostered, the achievement of community control.

Complication: Government Co-optation

Great Society Sponsorship

In the 1960s the appeal of community empowerment as a solution to problems facing impoverished, disenfranchised communities was not confined to new social movements but extended to the federal government's response to these movements. When the civil rights movement succeeded in pressuring government to resume the New Deal assault on inequality, government officials identified community organization as a primary means for conducting their War on Poverty. Through the Community Action Program (CAP), and an army of local community action agencies (CAAs) to implement the program, the new Office of Equal Opportunity (OEO) effectively incorporated community organizations into the nation's economic development system. CAAs were established as the system's community-level agents, charged with extending the system's benefits to citizens who remained outside its reach, by transforming the neighborhoods in which these citizens were concentrated. As a central feature of the Johnson administration's Great Society agenda, community organizations reached an unprecedented status, officially tied to the nation's economic growth machine.

In the summer of 1964, when the government adopted an empowerment model of community organization, Alinsky and the IAF were the object of media attention. *Fortune* editor Charles Silberman first thrust them into the limelight when his *Crisis in Black and White* championed TWO as the solution to the racial problems festering in cities outside the South. Favorable publicity led civic groups in Kansas City and Buffalo to invite the IAF to their cities, as did citizens in Rochester after a summer riot, and the preparations garnered more publicity. When the OEO turned to an empowerment model, however, it was not the IAF model. The OEO looked instead to empowerment programs operated by the President's Council on Juvenile Delinquency under Robert Kennedy's supervision. The aim of these programs was to improve community conditions to the point that younger community residents could acquire the skills needed to attain economic opportunity. This life-altering experience, whose conclusion was

marked when young people relocated from their blighted communities, was defined as individual empowerment. These programs represented the further evolution of the social work programs that Alinsky had rejected in the 1930s; some of which were carried out by his peers and successors. To distinguish his model of empowerment from theirs, and to rebuff any appearance of accepting a backhanded compliment, Alinsky referred to the version of empowerment incorporated into the CAP as “political pornography” (Halpern 1995, 89–105; Horwitt 1989, 445–82).

While Alinsky distanced himself from a program guilty of sacrificing community empowerment to individual empowerment, others did not see the situation so starkly. CAP was an amalgamation of several programs, and activists targeted various elements with the potential to foster community empowerment. The most well-known instance was the authorization given to CAAs to assert community control over antipoverty programs by facilitating the “maximum feasible participation” of community residents. Above all, because the “community action” framework provided a new means for pursuing community-provided solutions, and because the CAP’s creation apart from other government agencies was designed to facilitate experimentation, many activists chose to see CAP as a program whose content was yet to be determined. The result was an intense contest to determine the outcome (Halpern 1995, 106–18).

The UAW Role: Facilitating Unintended Consequences

Among those looking to shape the government’s new involvement in community organization, and better situated than most to have an impact, was Walter Reuther of the United Automobile Workers. Under Reuther’s direction the UAW was already involved in providing support for a new wave of community organizing efforts undertaken by a new generation. Along with the PWOC’s successor union, the United Packinghouse Workers of America, UAW leaders had close personal and financial connections with the direct-democracy, community organizing projects of the Student Nonviolent Coordinating Committee (SNCC) and Students for a Democratic Society (SDS). UAW leaders supported these community projects as part of their ongoing political project to build a broad-based political coalition for renewing reform. Their specific aim was to continue the New Deal’s restructuring of U.S. political economy to achieve democratic controls over industry and economic development. Consequently, when Lyndon Johnson decided to make reform the hallmark of his presidency and turned to Reuther for support, UAW leaders heralded the moment as a long-awaited opportunity to fulfill the New Deal’s unfulfilled promise (Boyle 1995, 158–84; Frost 2001; Lichtenstein 1995, 381–89).

Seeking to define the new situation in accordance with long-standing UAW aims, Reuther and his staff threw themselves into their distinctive mediating role: convincing Johnson to use the War on Poverty as the means to reembrace the neglected goals of maximum employment and purchasing power, while forming the Citizens Crusade against Poverty to unify their reform coalition behind an agenda calling for democratic economic planning, full production, and equitable income distribution. They made it their special mission to provide the coherency missing in the piecemeal, compartmentalized antipoverty programs. The chosen vehicle was their plan for an "urban TVA." The UAW's Demonstration Cities (DC) proposal realigned the CAP with a planning and reconstruction program to rehabilitate the central cores of American cities. Whereas CAP focused on a neighborhood crisis, DC addressed a broader urban crisis. CAP focused on service provision in neighborhoods that were predominantly black and low income, while DC connected neighborhoods with downtowns and addressed housing and public services for blacks and whites, both low and middle income. DC would pull together the divisions that the CAP patchwork continued, while demonstrating the practicality and rationality of democratic planning for urban redevelopment.

As they did during the industrial mobilization of World War II and during the postwar construction of industrial peace, Reuther and his staff were again setting forth a proposal whose ultimate aim was to create broad social-democratic controls over economic development. What they got, as they did before, was something less. Reuther and other UAW officials were central players in the presidential task force to define a national urban policy, and their results were remarkable: the creation of a new Department of Housing and Urban Development (HUD) with their own proposal, renamed Model Cities, as its inaugural program. But they did not succeed in their ambitious efforts to relocate CAP to HUD and have Reuther named the first head of HUD, so they could effectively direct the War on Poverty. Due to the compromises exacted as the price of putting any urban policy in place, Model Cities ended up looking more like CAP than not: ultimately offering no challenge to existing governance relations, while replicating the residential, race, and class divisions that DC was framed to overcome (Boyle 1995, 184–92, 200–205; Halpern 1995, 118–26).

As UAW leaders discovered in their efforts to seize Great Society opportunities such as CAP, they were caught up in a singularly brief moment. Despite advancing plans that outlined a sequence of change, in order to carry out the many facets of needed reform, they found that second rounds were rare—unless they involved a retreat. The social movements to which these reforms were a response had aroused degrees and varieties of activism to which government was not prepared to respond. Moreover, the administration was preoccupied, more focused on figuring out how to respond to the war in Vietnam than to the War on Poverty.

By increasing demands on government attention and funds, while eliciting increased opposition to the administration among reform proponents, war policy undermined any chance that the parties interested in reform could negotiate their differences over the pace and direction of reform. Given the magnitude of his hopes, reinforced by his new access to the power structure, Reuther chose to defend Johnson's reform record. In the end, reforms were decisively marked by the government's rapid shift away from responsive engagement to disengagement.

Because the restructuring process that Reuther envisioned was not completed, his social-democratic aims were more perverted than realized. From the more critical perspective of community activists, Reuther's chosen approach to serving as a Great Society architect was part of the problem. They saw his emphasis on government-sponsored community organization as following from his focus on gaining national-level acceptance for community empowerment to the exclusion of building the local-level power required. His preference for top-down solutions was not incidental to the top-down approach that ultimately prevailed. When Reuther was unable to deliver the ongoing reconstruction process he envisioned, community organizers were left to contend with the restructuring that had occurred: a government role in directing community organizations that was unprecedented, and community organizations that manifested an unprecedented dependence on government for their existence and agenda.

The union-community organization relationship unraveled in the face of the gap between the situation that communities faced by 1968 and the situation that Reuther perceived in 1964. Within the ensuing splits, unions and community organizations tended to end up on opposite sides of liberalism's divide, as the new generation of community organizers were drawn to and influenced by the period's social movements. The uncivil war that pitted new social movements against the labor movement—civil rights and women's groups pursuing legal actions against unions, with unions defending discriminatory practices; unions opposing the antiwar movement, with New Left attacks on unions as being part of the racist, imperialist Establishment—only deepened differences between labor organizing and community organizing. The disruption of union-CBDO relations in the 1960s generated lasting wariness, if not outright distrust, on both sides.

Government-Posed Dilemmas for Community Empowerment Organizing

Beyond making clear to community organizations that having powerful Washington allies on your side wasn't enough, CAP's restructuring clarified fundamental features of their unprecedented circumstances. Three years after CAP officials authorized "maximum feasible participation," Congress required each

CAA to obtain local government authorization to operate and each CAA board to draw their members in equal numbers from elected officials, private-sector representatives, and community residents (O'Connor 2001, 167–73). Top-down, local-level control over operations was joined with top-down, federal-level control over programming. Together, these formed the ultimate terms under which community organizations were incorporated into the economic development system.

The community dimension of the power that remained in CAAs was defined as the power of community self-help: residents' capacity to improve their living conditions and foster their human development by working together to maximize their collective use of federal funding and technical assistance. Mobilizing aggregate demand for services among residents while simultaneously providing the demanded services—that is, functioning as a community service agency—became the condition for CAAs to receive continued funding. The government formally acknowledged the reality in 1974. Consistent with previous actions that declared the urban crisis to be over and shelved the Model Cities program, the Nixon administration replaced the OEO with the Community Services Administration (Halpern 1995, 124–26).

The services that CAAs (the CAA name continued to be used under the Community Services Administration) provided were far from negligible and met substantive needs. But the limits of their provision and the sources of their derivation were inscribed within the CAA framework, not subject to ongoing revision by community residents. To independent community organizations whose purpose was to continue to challenge these limits and sources, CAAs posed a substantive challenge. CAAs provided a nonthreatening alternative for businesses and governments seeking to avoid the demands of traditional community empowerment organizations. With a CAA in town, targets of community pressure campaigns no longer felt the same compulsion to provide community-demanded services, much less concede control over development to the affected communities.

The government's presence in the arena of community organization generated recurrent problems for independent community empowerment organizations. Many of these problems were experienced as technical problems of coexistence: surviving against a more numerous and well-funded adversary. However, the underlying political nature of these resource problems was brought out more starkly with the government's increasing use of community organizations as economic development organizations, and not simply as service agencies. Beginning in the 1970s, the government funded community development corporations (CDCs) to increase the number of community-level physical development projects—housing, commercial, and infrastructure—in communities unable to attract private-sector developers. As empowerment organizations recognized, the program

offered access to the technical power required to realize full community empowerment. As designed, however, the program did not disseminate expertise among community residents, relegating them to a secondary, advisory role in the CDC development process. Since program participation was offered on government terms that undermined full empowerment, the program confronted independents with an impossible choice: foregoing access to needed development expertise to preserve their empowerment approach, or sacrificing empowerment organizing to acquire the expertise.

Resurgence: Community Restoration of the Community Empowerment Model

Community-Government Conflict over Community Empowerment

Since their introduction, CDCs have expanded dramatically in number, as governments have identified these community organizations as the receptacle for the remnants of antipoverty and urban programs. Although these program assignments have been accompanied by limited funding, they have carried large amounts of rhetoric extolling their importance for economic opportunity and individual empowerment. Consequently, CDCs have proved to be the mechanism for bringing the differences between the rival programs of community-based empowerment to the fore. For example, Jack Kemp's contribution to Reaganomics was to empower the poor by turning CDCs into marketing agents of government resources: turning the poor into homeowners by selling them their HUD housing units; promoting jobs for the poor by reclassifying their communities as "enterprise zones" (EZs) and giving tax breaks to businesses willing to operate within their boundaries. The Clinton administration, by adding traditional community programs into the mix along with more subsidies, sought to enhance the alignment between markets and poor communities. To drive home the potential of making communities more marketable sites for investors, while better preparing residents to participate in markets, EZs were renamed "empowerment zones."

Because successive government-defined empowerment programs have largely failed to stimulate community economic development, they have drained political meaning from the public's perception of "empowerment." But independent CBDOs seeking to empower their communities to control their development have had a very different experience. Against their own definition of empowerment, these CBDOs have had to contend with government programs whose rationale has ignored and devalued what these community organizations seek to achieve. Community-defined empowerment programs have sought, at a mini-

mum, to counteract the harm caused by market-controlled development. Maximally, they have sought to compel alterations in the operation of market controls or to replace them with community controls. For communities, market-controlled development has been the problem to be overcome through organization. Conversely, from the government side, market-controlled development has either been allowed to provide the decisive solutions or has been championed as providing the best possible solutions. Consequently, government-defined empowerment programs have narrowly focused on preparing community residents, and other community resources, for market inclusion. As the latest iteration of government-defined community development highlights, the enduring relationship is one in which the government's logic of community development effectively stands the logic held by CBDOs on its head.

The Emergence of Empowerment CBDOs

Some CBDOs have yielded to the pressures of working in a government-dominated arena, eliminating organizing for empowerment as the price of continuing to function as a development organization. Others have taken the opposite approach, continuing to base their organizations on community mobilization for empowerment. These CBDOs have upheld the primary significance of organizing, even though mounting pressure campaigns to secure their ultimate development objectives of community control had to be placed on hold. A third type of CBDO has managed—in a trial-and-error fashion, to be sure—to adhere to Alinsky's model of combining organizing and development. Crucial to their success has been their use of Alinsky's tactics of constructive confrontation to shape their relationship with government community development programs.

CBDOs in this category—the organizations I am referring to as empowerment CBDOs—have acted to compete with government programs: meeting the community needs addressed by government-sponsored CBDOs, while creating programs whose levels of comprehensiveness and innovation surpass government efforts. They have effectively turned the government's invasion of their terrain into an ongoing contest: mobilizing against government program limitations and for program reforms, even as they successfully fight to use existing programs for their own purposes. They have sought to use the government's weak program of empowerment wherever possible to enhance their own strong program, building community activism and control into development programs where the government has sought to exclude such activism and control. At the foundation of their stance is their rejection of the dichotomy that government has sought to impose on the arena of community organization: the dictum that those organizations working to change the existing system cannot also work within the system

but must choose one path or the other. Through their combination of empowerment organizing and development activity these CBDOs have persisted in operating in both domains. The measure of their achievement, in accordance with the community version of community development logic, is that these organizations constitute the logical extension of TWO. In the face of the government's installation of a rival conception and practice of empowerment within government-sponsored community organizations, these groups have responded by providing an enhanced version of the model that the government shunted aside in 1964 (Bruyn and Meehan 1987).

A Reconstructed Foundation for Empowerment Organizing

Experienced in working to change the development system as they operate within it, empowerment CBDOs—the Dudley Street Neighborhood Initiative in Boston, the Coalition for a Better Acre in Lowell, East Brooklyn Congregations in New York, and others—have successfully instituted a comprehensive organizational approach. Their emphasis on combining activities that suffer from separation has brought together agitation and implementation, community-provided services and community-controlled economic revitalization, the human development of residents and the physical development of communities. The key to advancing their broad agenda has been their attention to, and success in, creating new institutional capacity within their communities: using the community's existing institutions as the foundation for building new institutions focused on development. By relying on the community's human and institutional resources, these CBDOs have built the new institutions required to control each phase of the development process: mobilizing for participation, resident training in the development process, multilevel planning from neighborhood to project, program administration and project implementation, and ownership and management of the social and physical assets developed. These CBDOS have strengthened community institutions externally as well, building coalitions across cities to collaborate on programs across neighborhoods, to expand political education efforts, and to form broad pressure groups when pressure is required (Gittell 1992; Medoff and Sklar 1994).

To advance their empowerment agenda, these CBDOs have begun forming regional networks of their peers. The Massachusetts Association of Community Development Corporations has explicitly focused their collective efforts on enabling member organizations to be structured and operate as CBDOs with the capacity to combine organizing and development. Empowerment CBDOs have also collaborated extensively with supportive foundations. As empowerment

CBDOs have benefited from the practical experience gained since the 1970s, so have the foundations that have supplied the funds for community economic development experiments. Foundations have become vital partners in establishing, and advancing, comprehensive community organizations. In sum, empowerment CBDOs have been engaged in constructing a viable organizational infrastructure in the community arena of national economic development, one with the capacity to contribute significantly to the national system's reconstruction (Sirianni and Friedland 2001, 56–66).

Because the disruption generated by the government's adoption of community empowerment extended to the relationship between community organizing and labor organizing, unions have been more bystanders than participants in the contest over who defines the content of community empowerment organizations. But this situation, too, is changing. The existence of empowerment CBDOs is particularly relevant for unions engaged in restructuring their organizations to become active in economic development, while confronting the need to restructure the economic development system in order to succeed. They provide a model for moving forward, manifesting that restructuring along alternative lines can be successfully pursued, despite concerted efforts to co-opt and derail the alternative. Empowerment CBDOs also afford an experienced partner in the double restructuring process. The potential of that partnership has yet to be realized, but its outlines can be glimpsed in the relationships forged in living wage campaigns between participating unions and the Association of Community Organizations for Reform Now (ACORN). Most important, a solid foundation for realizing the partnership is being constructed as unions replicate the recent experience of empowerment CBDOs, bringing together empowerment organizing and economic development activity within the boundaries of a single organization.

EMPOWERMENT CBDOS AND UNIONS

The vantage point of the present—with the community restoration of the community empowerment model and the revitalization of the controls involved in community-controlled development—highlights the importance of possessing the organizational capacity to promote equitable development on two fronts. On the first front, CBDOs successfully organized to acquire the power required to gain concessions from those possessing ultimate power: the power to allocate resources, to decide where human, material, and financial resources are invested, and, thereby, who benefits and who doesn't. On the second front, CBDOs successfully organized to place ultimate power in community hands. To possess the

capacity to exercise both direct and indirect control over development is to possess the power to create as well as compel equitable development outcomes.

The difficulties that CBDOs have faced in acquiring and exercising this double capacity have implications for unions that run in two directions. First, because the consistency in changing government policy toward community empowerment organizing has been its adherence to an opposed mode of promoting economic development, empowerment organizing involves creative engagement with government. Although the details obviously differ, the incorporation of unions into the governance structure of the national economic development system has been as disruptive for unions as for CBDOs. The terms of incorporation enabled unions to exercise more control over development than CAAs, but unions have their own version of diminished controls that require recapture. Of particular significance, the actions of Congress and the National Labor Relations Board (NLRB) have placed on indefinite hold union efforts to use collective bargaining to address businesses' exclusive possession of ultimate power over business operations. Conversely, because unions possessed enough control to affect the exercise of business power they have emphasized defending that control when the government has reneged on its commitments or has transferred the government's share of control to markets that were, in turn, largely controlled by corporations.

The second implication is highlighted by the first: to engage creatively with government, along with private-sector opponents of community-controlled development, CBDOs must build the community power base required to prevail in these confrontations. The necessary focus on national-level neoliberal governance regimes cannot come at the expense of attention to community-level coalition building. Walter Reuther's example spells out the consequences of such neglect. To the extent that unions have turned back to community power building, they not only exhibit their grasp of this point but also their actions signal a pivotal moment in the union response to the spread of low-road strategies—the turn from defense to offense.

It is in the arena of the union shift from defense to offense—in union actions to restore lost controls and create new controls—that community experiences with empowerment resonate with union experiences. The clearest connection has been generated by labor organizing to retain and expand the power to compel concessions from employers in collective bargaining. Not only have unions framed “corporate campaigns” that utilize tactics long used by community organizations but unions have solicited and received the participation of community organizations in the successful conduct of these campaigns. On the basis of having jointly resisted management cost cutting in the workplace, unions and community organizations have joined forces outside the workplace, collaborating to

counteract the community effects of the inequality generated by a one-dimensional exercise of corporate power.

A less visible connection is the one derived from union organizing to gain direct power over economic development. These efforts are less visible because they are taking place outside the workplace power contest. But their construction and evolution on the community terrain makes them highly visible in their local communities. That is why the union-community connection can be glimpsed in stories told elsewhere in this book. For example, when unions in western New York decided to become more directly involved in promoting high-road economic development, by becoming the developers of an energy production facility and affordable housing units, they not only took on CBDDO functions, they made the leap to forming a union-controlled development organization. As the foundation for their leap, the unions that formed the Economic Development Group built on their years of exercising control over development through collective bargaining. To add a second dimension to their development initiative, the unions formed a regional development partnership with their historic bargaining partners. The unions have thereby inserted labor-management relations into their version of community-labor collaboration for high-road development (Fleron and Applegate 2004; see also Greer, Byrd, and Fleron, chapter 6 in this book).

In California, Silicon Valley unions, under the leadership of the South Bay Labor Council, formed Working Partnerships USA (WPUSA) to mobilize the community to demand political accountability in the administration of public development funds. By allying union members with unorganized immigrant workers and community organizations in a broad community coalition, WPUSA succeeded in directing funds for community-defined purposes. Their initial success provided the platform for seeking direct control over public development funds. First, WPUSA coalition activists became the public decision makers, by successfully running for public offices. Then, other activists formed businesses that, by successfully bidding for public funds, implemented publicly funded development. In sum, when unions needed new partners in order to play a new role in economic development, they created a new community organization. WPUSA, in turn, took the lead in expanding the economic development agenda, including sponsoring other community organizations as needed (Muller et al. 2003).

In cities across the country, local unions have worked collaboratively with a variety of community organizations to enact and implement living wage laws (see Luce, chapter 1 in this book). To facilitate local campaigns, unions have also worked closely with a national-level community empowerment organization, ACORN. By coordinating local efforts and providing critical support, ACORN's Living Wage Resource Center has played a significant role in making separate living wage campaigns into a national movement. It is important to note that these

coordinating skills were not developed for the occasion. ACORN's contributions are rooted in its long history of fashioning a community development agenda in dozens of cities and hundreds of chapters, while coordinating the work of these organizations so that their agenda has influence at city, state, and national levels. It is equally important to recognize that union collaboration with ACORN existed well before the living wage campaign, and in a most distinctive fashion. ACORN's comprehensive approach to community empowerment led organizers to mobilize their members to gain power at their workplaces as well as in their communities. In the 1980s these efforts culminated in the creation of two Service Employee International Union locals covering workers in four states: SEIU Local 100 (Louisiana, Arkansas, and Texas) and Local 880 (Illinois). As the continuing collaboration between these union locals and ACORN chapters makes clear, they provide a model in which the union-CBDO connection is established on the basis of affiliated, and not just allied, organizations (see ACORN website, <http://www.acorn.org>; for ACORN history, see Delgado 1986).

Whereas WPUSA found it necessary to sponsor community organizations to carry out its union empowerment agenda, ACORN found it necessary to sponsor union locals to carry out its community empowerment agenda. Together, they demonstrate that the connection between unions and community organizations runs in both directions. In the terms of the metaphor used to describe alternative approaches to the neoliberal development model, these organizations have constructed the two-way thoroughfare on which the high road can be rebuilt.

These examples only begin to tell the full story, but they underscore the convergence taking place between unions and CBDOs in their efforts to create new institutional means for gaining control over economic development. Because union innovations do not simply replicate community experience, the means are multiplying. Because the political environment is unfriendly to their agendas, unions and CBDOs are both working with broad community coalitions to create the political opportunity structures required to push ahead. If these examples accurately represent the current direction of the evolving relationship between unions and community-based development organizations, then the long-delayed moment of their full collaboration may finally be at hand.