

COMMUNITY ORGANIZING & ECONOMIC DEMOCRACY IN NEW ENGLAND

It is not enough simply to engage in traditional community economic development efforts, isolated from their power context. The larger economic and political forces that shape our communities must confront the power of a well-organized citizenry. Communities must be able both to wield power & to create new, democratic economic institutions.

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Over the past six years, citizens' action organizations in the Naugatuck and Merrimack valleys of Connecticut have been integrating strategies of social and economic development to restore a region seriously threatened by the changing American economy. Comprising church congregations, labour union locals, tenant associations, and small business organizations, the Naugatuck and Merrimack valley projects are linked through the InterValley Project, an arrangement for joint leadership training and assistance.

First and foremost, the "Projects," as they are called, develop local leadership through formal training courses and a wide variety of issue campaigns. Integral to that process are strategies to extend local ownership and control of jobs, land, and money. That involves:

- equalizing the relationships between labour, community, poverty, and small business organizations on the one hand, and corporate, real estate, financial, and governmental organizations on the other.
- creating democratic economic institutions, like worker-owned firms, community land trusts, and limited equity/sweat equity housing co-operatives and revolving loan funds.
- changing existing laws to encourage employee ownership, to protect retiree benefits, and to promote housing for the poor and working poor.

Campaigns against plant closures have saved 2700 jobs (thus sparing the region a loss of \$200,000,000 in annual income). With the assistance of the Projects, white

and blue collar employees have created several worker-owned businesses, one of their number, Seymour Specialty Wire, being the largest democratically-controlled industrial firm in the U.S.A.

Tenants threatened by displacement from private or public rental housing have learned not only to fight high-priced developments and conversions, but to implement housing alternatives: co-operatively owned, permanently affordable housing built on land from the Project's community land trust.

This blend of citizen organizing with democratic economic development strategies is a response to the changing economic and political climate of the U.S.A. The new environment is characterized by a dramatic weakening of both poor and blue collar communities. Wealth has shifted radically from the poor and middle to the upper classes, from cities to suburbs, and from the heartland to both coasts. It is a "paper" economy, rather than one based on reinvestment in productive capacity and physical infrastruc-

ture. Households require two incomes merely to maintain their standard of living. Labour unions have declined in strength and manufacturing jobs (many of them union-represented) have diminished. Local ownership of the remaining manufacturing companies, banks, and housing and commercial developments has been lost.

These shifts reduce the ability of local economies to create value and to control economic resources. But they have major consequences for daily life as well.

Unchecked, the growing gap of income distribution between the rich and everyone else will leave American society and politics sorely missing the stability of a middle class. It will also lead to increased tensions among races, ethnic groups, and religions, at a time when inner-city neighbourhoods, long since abandoned by the federal government, become home to a growing number of new immigrants.

This economic change will also have serious repercussions on education, crime levels, and the physical and moral infrastructure of the U.S. It will interfere with the nation's ability to chart its own economic future, to provide families with a home life with sufficient time and energy for relationships and recreation, and to allow for full participation in voluntary organizations and, indeed, in democracy itself.

Consequently, saving manufacturing jobs, saving union jobs, bringing about broad-based local ownership and control of jobs, land, and money, are much more important goals for citizen organizing - certainly in poor and blue collar areas - than they were twenty years ago or even ten years ago. It is these communities and their institutions which have suffered the most direct loss of power during that time.

In light of these developments, people involved in the Merrimack and Naugatuck Valley Projects have reconsid-

ered the traditional priorities and strategies of community organization. Organizers are taking a long second look at the key institutions which must be linked, and the action which local people must take to gain control over their communities.

It is no longer possible simply to try to rearrange pieces of an ever-expanding economic pie, as in past decades. People are fighting for control of important parts of local economies - jobs, housing, land, and investment. They are fighting to *create* community across divisions of class, race, religion, locality, and union membership and non-membership. They are fighting to create models for a restructured economy and society.

By the same token, however, it is not enough simply to engage in traditional community economic development efforts, isolated from their power context. The larger economic and political forces that shape our communities must confront the power of a well-organized citizenry.

Communities must be able both to wield power and to create new democratic economic institutions. The organizers active in the Merrimack and Naugatuck Valley Projects have learned the following lessons:

1. *A strategy of community organizing must be paired with one of economic development, but the former must dominate. Economic development work must grow from the power base of a successful citizen action organization. (See #5.)*

The intervalley projects are not undertaken just to increase jobs, housing, and money, nor to establish new economic structures for their own inherent benefits. The projects also help leaders gain greater power over the long-term destiny of their communities.

2. *It is critical for the organization to develop an analysis of the economic and political dynamics and institutions which shape local communities, and to update this analysis over time.*

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Given this context, people better understand the necessary primacy of citizen organizing, and the strengths of democratic economic institutions for long-term community control over vital economic resources. The industrial genealogy of the Naugatuck, for example, shows people how shifts in the national economy have brought about shifts in ownership from local hands to outside conglomerates, and the consequences of this loss of power for the lives of local individuals, families, and communities.

3. *Development work must be driven and led by an existing or readily-formed organizing group which is committed to change and will fight for it.*

This group must fully participate in the greater regional agenda, sharing in Project leadership, goal-setting, and public action. It must support the campaigns of others, as well as the fund-raising and leadership training that keep the Projects viable for the next group requiring support.

In the case of housing development, for example, the Project does not build houses on spec and then try to market them. It works with the people who need assistance to design and develop housing that is co-operatively owned and permanently affordable. This provides energy and creativity that make the success of

the new entity more likely, since its members fought for it from the start.

4. *It is important to create economic structures that are broad-based in membership and permanently subject to democratic control, so they are accessible to new generations.*

For example, to create affordable housing the Project has chosen two forms of ownership of land and housing: a community land trust and limited equity/sweat equity housing co-operative. Both are democratically controlled by the broader community and owners, and will preserve the affordability and accessibility of the resource.

By the same token, the Project has helped create employee-owned firms which provide opportunities for succeeding generations of workers to become owners. The democracy is therefore “renewable,” and benefits disseminate through a broader range of families over time.

The new structure does not simply create instant equity holders on a one-time basis. It is an on-going source of talent, experience, and inspiration for new development and new organizing. These institutions struggle with the same issues of leadership renewal, factions, and democratic process with which any citizens’ organization must contend.

5. *It is critical that the organizations also take action with respect to broader community issues of environmental pollution, access to medical care, higher education, the provision of other public services, and private investment.*

Economic institutions can absorb time and talent in ways which stifle organizing energy. Employee-owned firms and housing co-operatives are all well and good, but the lives of local families (as well as the future of the new democratic economic entities) are critically affected by the outcome of these other issues. Thus, the Projects have played a role in halting the construction of waste incinerators and the closure of the local campus of the state university. ↻

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