

Chapter 4

Community Organizing and Community Economic Development

Community organizing is distinct from both advocacy and community economic development. Unlike advocacy it does not involve speaking out *on behalf of* the affected community. It involves *directly mobilizing* the community to first identify, then resolve, the issues that affect it. It differs from community economic development (CED) in that it is not necessarily focused on job creation, wealth building, housing development, or other forms of economic revitalization. Community organizing often precedes CED projects. There is a natural tension between community organizing and community economic development, as well as a natural symbiosis. The tension arises from the fact that the primary requirement for organizing is participation (democracy). The primary demands of CED are usually the production of bricks and mortar projects or other forms of asset building. Efficiency, accountability and the support of established political and financial institutions are very important for CED. These requirements are often in conflict with the needs of a community organization to be free to do advocacy or direct action with these same institutions.¹

Methods of Community Organizing

In most strategies of community organizing, the community is guided by an “outside” (professional) community organizer or team of organizers. Sometimes, though, indigenous organizers emerge to mobilize the effort. The professional organizer’s main job is to identify and train leadership from the target community. There are many

¹ It is possible to find examples of models which manage to combine organizing, advocacy and community economic development activities. One such is Boston’s (Roxbury) Dudley Street Neighborhood Initiative. (The work of this organization is described in Peter Medoff and Holly Sklar’s book, *Streets of Hope*, South End Press, Boston, 1994). This book is required reading for those about to engage in major urban revitalization projects. It offers an example of truly comprehensive community planning and development.

books that describe the organizer's role. Among the most useful are Si Kahn's two books, *How People Get Power* and *Organize*. Saul Alinsky's *Reveille for Radicals* and *Rules for Radicals* are great background reading but not so much a guide to current practice, although Alinsky's principles remain behind some of the most prominent organizing strategies.

The Alinsky school of community organizing in its purest form takes a dim view of "values" and focuses on assembling *power* so that the oppressed community can win. This method does not shy away from conflict. It likes to get the targeted corporate or public officials in a room and apply pressure from a large number of articulate people. The rules of civility and fair play are ignored in favor of clear delivery of the group's demands. This focus on the raw exercise of power may make some people of faith uncomfortable. These people may hire Alinsky organizers or consultants to help but do not really accept their ideology. Others succeed in defining a theological rationale for the exercise of power.

The movement inspired by Saul Alinsky continues to evolve. John McKnight, a former Alinsky associate, now teaches asset based community development (ABCD). This method assumes that the institutions which used to be so important to mobilize (labor unions, churches) are no longer present in low income urban areas in any force. Likewise, the "target" institutions (financial institutions, corporations) have left the old neighborhood. Therefore, the old methods based on class conflict no longer work, hence the importance of mapping the assets that still exist in the community and developing partnership institutions to make community development happen. This methodology is described in a book by McKnight and John Kretzman (*Building Communities from the Inside Out*, Center for Urban Affairs and Policy Research Northwestern University). Many United Ways, foundations, and church organizations have adopted McKnight's philosophy and methodology. Its critics say that it ignores

conflict theory and issues associated with race and class, but asset based community development (ABCD) is the current prevailing theory and method in some communities.

Another “school’ of organizing is one based on identity. This is not really a school in the sense of having its own set of training and technical assistance centers. This approach to organizing borrows methods from other schools and focuses on gaining power on behalf of a specific group based on their identity (racial, ethnic, gender, sexual orientation). Church-based community organizing likewise borrows methods from Alinsky and ABCD. This type of organizing focuses on organizing congregations or coalitions of members of several congregations. It can focus on a neighborhood, city, county, metropolitan area, etc. The AMOS project is an example of a national faith-based movement. Some congregations focus their energy on providing support for the organizing campaigns of workers in specific sections of the economy such as farm workers or hotel workers (see Advocacy section).

Church-Based Community Organizing

Another school of contemporary community organizers is church-based organizing. This type of organizing seeks to utilize the already existing institutional base of churches to mobilize community revitalization activities. Church-based organizing can use either an issue approach or an asset-based approach or some hybrid of the two. Among the models of church-based organizing listed in this manual are Fresh Ministries in Jacksonville, BUILD in Baltimore, and the Nehemiah Project in the South Bronx and East Brooklyn and the Bradhearst Project in Harlem in New York City. Church-based community organizations often seek to organize all the churches in a neighborhood or even in a metropolitan area. Among the denominations, the United Church of Christ has been most active in promoting this model. The Catholic Campaign for Human Development (CCHD) has generally preferred the community-

based model. CCHD has funded many of the prominent grass roots organizing projects around the country. Some of these are described in their book, *Credible Signs of Christ Alive*, by John P. Hogan. One of the church-based models described in this book is the Camden Churches Organized for People (CCOP) organization in Camden, NJ.

The Lutheran church has also published a book about church-based community organizing. Entitled *Doing Justice: Congregations and Community Organizing* (Fortress Press, Minneapolis, 2001) this book offers a theological rationale, a history of congregation-based organizing, and chapters on such topics as power, self-interest, and the importance of one-on-one interviews in community organizing. The chapter on agitation confirms that the authors are rooted in the Alinsky tradition of organizing. They are also deeply rooted in Scripture and its prophetic tradition. The final chapter is entitled "Spirituality for the Long Haul." This is followed by a study guide for each chapter for use by congregations.

Organizing for Economic Justice is the Episcopal Church's equivalent of the Roman Catholic and Lutheran handbooks mentioned above. We have included the chapter entitled Christian Faith and Economic Justice as Appendix C of this manual. The entire publication is available from Congregational Services at the Episcopal Church Center (www.episcopalchurch.org/congregationalservices).

The four national networks of church-based community organizations are:

Industrial Areas Foundation (IAF)

Ed Chambers, Director

220 W. Kinzie Street, 5th Floor

Chicago, IL 60610

Phone: 312-245-9211

Website (unofficial): www.tresser.com/IAF.htm

The Gamaliel Foundation

Gregory Galluzzo, Director
203 N. Wabash Avenue, Suite 808
Chicago, IL 60601
Phone: 312-357-2639

Website: www.gamalielfoundation.org

Direct Action and Research Training Center (DART)

John Calkins, Director
314 NE 26th Terrace
Miami, FL 33137
Phone: 305-576-8022

Website: www.thedartcenter.org

Pacific Institute for Community Organization (PICO)

John Baumann, S.J., Director
171 Santa Rosa Avenue
Oakland, CA 94610
Phone: 510-655-2801

Website: www.pico.rutgers.edu

These networks all provide training and technical assistance to congregations or local coalitions interested in launching a community organizing effort. Several of the models highlighted as examples below are connected with one or the other of these centers.

Community organizing may use a variety of philosophies and methods. Its focus can be on economic development, city services, health, stopping drug trafficking, establishing neighborhood peace or many other goals. It may be focused toward comprehensive neighborhood revitalization. In this case, it must go on to the community economic development phase and either found a CDC and spin it off as a separate corporation or partner with an existing one. It can be asset-based or problem-focused. It can be church-based or community based. Whatever its basis it remains the most effective means to achieve neighborhood revitalization. It is about empowering the people in your community to collectively solve problems or develop community assets. The models mentioned in this section offer sources of example and information from around

the country. If you need help finding a model in your section of the country, please contact ENEJ staff at meamon@aol.com. We have provided a directory of models in Appendix F. Likewise, we encourage you to send information on additional models we can list in this directory or on our website.

Community Organizing in Practice: Examples and Models

MOSES (Metropolitan Organizing Strategy Enabling Strength) A Gamaliel Foundation Affiliate

MOSES
438 St. Antoine
Detroit, MI 48226
(313) 962-5290
www.mosesmi.org

History

MOSES was officially incorporated in 1997 by the member congregations of three previously existing non-profit 501(c)(3) community organizations in the Detroit Area (West Detroit Interfaith Community Organization, Jeremiah Project, and Northeast Allied for Home). MOSES has since expanded to include congregations from throughout the Detroit area. The coalition now includes 65 congregations and three institutions of higher learning.

Program

MOSES focuses on neighborhood concerns such as community reinvestment and safety, and on larger systemic problems such as urban sprawl, lack of adequate transportation and education, infringement on the civil rights of immigrants, land use and blight. Their purpose is to build and strengthen member congregations and local communities to bring about beneficial systemic change.

Methods

1. Member congregations use MOSES to identify a set of common interests and to exercise power on behalf of those interests (advocacy).
2. MOSES is organized to build an ecumenical, interfaith, multiracial, congregation-centered community organization that will address issues of concern to community residents and members of the 65 congregations through a process of relationship building, evangelizing, training and leadership development, and direct action (organizing).
3. MOSES has used technical assistance and consultation from the Gamaliel Foundation, a national organizing institution.

South Bronx Churches An Affiliate of the Industrial Areas Foundation

389 East 150th Street Bronx, NY 10455

Phone: 718-665-5564

Email: SBChurches@aol.com

History

South Bronx Churches was organized in 1987 when a Lutheran Pastor, John Heinemier, convened a group of pastors. It is a coalition of churches and other community-based organizations formed with the help of the Industrial Areas Foundation (IAF). It is now one of six power organizations that are part of the Metro Industrial Areas Foundation in the New York metro area.

Program

Education is a strong component of this ministry. South Bronx Churches proposed that several small thematic schools be developed in the neighborhood, with funding from the Department of Education to provide funding. In 1993, SBC established the Bronx Leadership Academy, which would achieve an 80% graduation rate compared to 50% at the local public high school. SBC opened a second small school in 2002 (Leadership

Academy II). SBC seeks to develop a single campus for 3-4 small schools, using the 21st Century Schools model.

Housing is another program element for SBC. They have built more than 1000 Nehemiah row houses in Mott Haven, thus helping to reverse that neighborhood's spiral of decline. "We used the same premise as Jesus," said SBC Housing Chair Rev. Bertram Bennett, "when he asked what the blind man wanted."

The third program focus is on quality of life issues. Through community organizing and advocacy, SBC has eliminated some of the drug trafficking "hot spots" in the South Bronx, and have successfully advocated for reforms at the area hospital (Lincoln Hospital).

Methods

1. SBC contracted with IAF and hired an organizer.
2. SBC organized institutions, congregations, parents, workers, and tenants, and particularly involved clergy and powerful lay leaders who got the churches into prophetic action. Their community organizing theory is based on power as a primary theological virtue.
3. They did "one-on-ones" and listening sessions with local residents. Using ironing boards at bus stops, they obtained 100,000 signatures and took them in an ark to politicians to demonstrate their authority and community support.
4. Out of the sessions with local residents came the idea of developing affordable single family homes. SBC connected with Nehemiah, a national housing initiative, and built over 1000 units. SBC obtained city-owned land to keep the housing costs down, found a builder who shared their philosophy, and set up the Beulah project to do rehab and manage properties.

5. In response to educational neglect stemming from a widespread view that inner city kids could not learn, SBC founded Leadership Academies I and II to give local children a good education. They continue to advocate for more small schools.
6. SBC went to police stations en masse to address the drug problem and eradicated some of most dangerous sites. They used a similar process to obtain better treatment of the community residents at the local hospital.

Community Development Corporations in Practice

These organizations were established to oversee the redevelopment of inner city neighborhoods or to promote job development in rural areas. Some are comprehensive. Some focus exclusively on housing or job creation. Some CDCs are spinoffs of community organizing efforts. CDCs are often able to focus more on projects and leave the advocacy to the neighborhood organization. Some include advocacy along with the “hard” side of development. Some also include a social services component such as counseling or job readiness.

Church of the Messiah Housing Corporation (Detroit, MI)

Ms. Frances Howze, Executive Director
231 East Grand Boulevard
Detroit, MI 48207
(313) 567-7966
Email: fhowze@messiahhousing.com

History

Organized in 1874, the Church of the Messiah has a long history of involvement in social action both within its Detroit neighborhood and in national and international arenas. Urban ministry under leadership of the Rev. Canon Spann and Dean Cole in the 1970s focused on housing, health, education, and political empowerment.

Program

The Church of the Messiah Housing Corporation (CHMC) Field Street project includes 49 new units of infill housing developed on sites that had been cleared of previous structures. Architect Abraham Kadushin helped come up with designs that overcome site specific problems and added amenities such as full basements, front porches, and rear parking. CHMC's Bridgeview project added 22 more townhouses.

The positive catalyzing effect of new infill housing development in a severely distressed urban neighborhood cannot be underestimated. While rehabilitation of existing deteriorated structures is extremely important, the symbolic and tangible rebirth represented by new construction is a powerful revitalizing force attracting substantial attention and additional resources. This is especially significant when the developer is a non-profit, community-based organization undertaking responsibility for the planning, design, development and management of the project as was the case in Island View Village.” Architect Abraham Kadushin.

This CDC also administers the City of Detroit's Neighborhood Opportunity Fund and HOME grants for home repair and rehabilitation, and conducts other activities related to housing needs and inner city revitalization. Over 150 apartments have been rehabbed. CMHC also provides preventive maintenance for home owners and a property management company certified by MSHDA. The CDC has received funding from financial institutions including Bank One and Charter One Bank to provide financial literacy programs to local residents and first-time homebuyers.

Other CMHC services include a senior nutritional food program that serves over 200 seniors and families, and an after-school leadership training program for the city of Detroit.

Methods

Church of the Messiah has kept a clear focus on providing new and rehabbed housing as an approach to neighborhood renewal. Other programs support the housing goal. Financial literacy, money management and after school leadership training help people maintain their homes. The senior nutrition program, though direct service, also helps maintain people in their homes by supporting their independent living.

Relationship to Advocacy

The advocacy arm of CHMH and other Detroit CDOs is Community Development Advocates of Detroit (CDAD). CDAD has 90 members. It not only advocates the interests of CDOs, it provides training and technical assistance. Member organizations must be non-profit and committed to “sustainable development that demonstrates grassroots participation and empowerment.”

Community Development Advocates of Detroit
The Metropolitan Center for High Technology
2727 Second Avenue, Suite 303
Detroit, MI 48201
(313) 964-4910 Fax: (313) 964-4970
email: info@cdadonline.org

Harlem Congregations for Community Improvement Affiliated with the Metro Industrial Areas Foundation

Contact:

Lucille L. McEwen, President and CEO
2854 Frederick Douglas Boulevard
New York, NY 10039
(212) 281-4887 Ext. 35
Email: lmcewen@hcci.org
www.hcci.org

Harlem Congregations for Community Improvement, Inc. is a premier example of a church-based community organization which combines direct service, advocacy, community organizing, and community economic development in a “holistic approach” to the revitalization of their community. This organization was founded in 1986 through the efforts of a consortium of 16 faith leaders in the Harlem community. The Rev. Canon Boyd Williams is Chair of HCCI.

Program

- HCCI has developed over 1700 rental and homeownership units and has 400 in process.
- HCCI’s Construction Trades Academy initiative places young men in the Harlem area in construction jobs, providing training in carpentry, woodworking and other interior work. Other work force development initiatives include youth training in computer graphics and robotics for youth.

- HCCI's social services include a sister to sister, peer to peer program for girls, food stamp sign-up, and prenatal care and advice. They provide treatment for young children with asthma. Support for people with HIV/AIDS includes counseling and housing. A state of the art day care center is in the planning stage.

Methods

1. Form an interfaith coalition of congregations using the IAF model of community-based organizing.
2. Assess community needs and opportunities using one-on-one interviews and community meetings.
3. Develop a plan of action, including funding and evaluation.
4. Secure a diversified funding base. (This is still a struggle, as HCCI operates mostly through government contracts.)
5. Develop an appropriate governance structure--in this case a 501(c)(3) not for profit corporation. Assemble an initial funding pool and hire professional staff.
6. Through this process HCCI adopted a model which includes a full range of social and health care interventions. These services help support people as they are assisted in obtaining affordable rental housing or home ownership.
7. HCCI formed a separate initiative to provide counseling for financial literacy, homeownership, and to prevent predatory lending.
8. Operating as a community development corporation, HCCI has developed over 1,700 units of rental and homeownership housing with 400 more pending.

NeighborWorks and Other Housing Initiatives

Several other types of community improvement activities also expanded during the 1970s and 1980s. For example, a number of organizations outside of the CDC framework have also focused their work around the development and rehabilitation of affordable housing – for example, many churches and other faith-based organizations and national entities like Habitat for Humanity and the National Council of La Raza.

A notable example is the approach implemented by the federally support Neighborhood reinvestment Corporation and the 177 local nonprofits that comprise its NeighborWorks network. The Corporation provides technical assistance and training to its local partners, as well as funding designed to leverage considerably greater investment in neighborhood revitalization. In 1995 alone, for example, \$39 million in federal funding resulted in \$341 million in private, public, and philanthropic funds being reinvested in distressed neighborhoods. While it has motivated a variety of non-housing physical improvement projects as well, NeighborWorks has emphasized expanding homeownership in such communities. Three years into its recent campaign, 6,530 families had purchased their own homes – often at prices less, or only modestly more, costly than renting.

Habitat for Humanity is a national organization which provides an umbrella for hundreds of local initiatives. Habitat is responsible for the production of thousands of units of new housing for families that otherwise would not have been able to own a home. Habitat projects often join the work of church volunteers with that of a family to produce a new house.

Community Development Loan Funds in Practice

The Pelham Fund for Economic Justice

Charles Wibiralske
Associate Director for Community and Economic Development Programs
Episcopal City Mission
138 Tremont Street
Boston, MA 02111-1318
617-482-4826 x207
www.diomass.org/ecm

The original mission of the Pelham Fund was to respond to the call of the Michigan Plan adopted by the 1988 Episcopal Church General Convention with the systemic change goal of establishing community development intermediaries. The Pelham Fund now makes loans through a network of intermediary organizations throughout New England. Four of these institutions are New England wide. Others, like the Boston Community Loan Fund, serve specific neighborhoods, cities, or state areas.

Each of the other New England dioceses has diocesan or parish sponsored efforts. Connecticut runs a fund similar to the Pelham Fund. In Vermont, St. Paul's Cathedral, All Saints, South Burlington and the National Church have deposits with Opportunities Credit Union. Western Massachusetts has set aside 2% of its endowment for community reinvestment, allowing the diocese to lend money (about \$1 million) to two community loan funds. The Diocese of Maine and two congregations have lent to Coastal Enterprises. In New Hampshire, the National Church and approximately half of the 49 congregations invest in the New Hampshire Community Loan Fund.

Michigan Interfaith Loan Fund

Michigan Interfaith Fund (Lansing Office)
1000 South Washington Avenue, Suite 100
Lansing, MI 48910-1647
Christine A. Coady, President
(517) 372-6004

Michigan Interfaith Fund (Detroit Office)
2727 Second Avenue, Suit 301
Detroit, MI 48201
(313) 964-7300

This program started as the Michigan McGehee Fund (of the Diocese of Michigan) in response to the Michigan Plan of the 1988 Convention. It merged with the Michigan Housing Trust Fund in 2004 to form the Michigan Interfaith Fund.

This community loan fund improves access to capital for affordable housing in low income communities, focusing on urban low-income and minority neighborhoods and rural development. It also works to strengthen the capacity of non-profit organizations to develop facilities where services can be provided to communities. The fund also serves as a vehicle for socially responsible investments.

Other Wealth Building Initiatives in Practice

Wealth-building projects focus on building individual, family and community assets. All of the models listed above contribute to building assets but the following are featured to draw attention to this type of community development ministry.

FRESHMINISTRIES

Mr. Michael Bryant
1830 Main Street
Jacksonville, FL 32206
904-854-4444
mlb@freshministries.org

In Jacksonville, workers' low wages are often completely consumed by high living expenses and a lack of financial literacy can be exploited by unscrupulous lenders and businesses. In this situation, workers are rarely able to save any money towards a major life goal such as owning a home, getting post secondary education or starting a business. Jacksonville's FRESHMINISTRIES is one of the largest and most comprehensive of the community economic development projects in the Episcopal Church network. Its partnerships and spinoffs include Habitat for Humanity, an affordable housing partnership, First Coast MicroLoan Fund, and a small business incubator (see Beaver Street Enterprise Center, Appendix F). Programs include Individual Development Accounts (IDAs) and helping clients make use of earned income tax credits.

Program

FRESHMINISTRIES has implemented four major responses to attack this cycle of poverty and to help low income workers towards financial independence.

Earned Income Tax Credit (EITC) Campaigns – with a large part of the credit unclaimed each year, the IRS has teamed with local community coalitions to create volunteer tax preparation sites where people can have their taxes prepared free and electronically. They can avoid the cost of tax preparers and the high interest they charge on refund anticipation loans while applying for the credit.

Financial Literacy Campaigns – as a part of many EITC campaigns, coalitions have joined with groups such as Consumer Credit Counseling to offer financial literacy classes. Wachovia and the FDIC have collaborated on the most well-known free curriculum called Money Smarts. It is usually offered in 5 two-hour segments and helps with family budgeting, credit issues and savings. Get Checking is a related training that allows people to repair their standing with financial institutions so they are eligible to open a bank account again.

Individual Development Accounts – the federal government offers matching funds to community organizations willing to raise an equal or greater local match to offer to low income individuals willing to take financial literacy classes and begin saving towards one of three major life goals: buying a home, getting post secondary education or starting a business. A person can have up to \$2,000 matched two to one and end up with \$6,000 towards one of these goals. Participating organizations agree to provide counseling and goal training while the person saves towards the goal. The participant can also choose to apply a portion of the EITC or tax refund towards the saving goal.

Small Business Development – the fourth major area of programming is the small business development work of the Beaver Street Enterprise Center (see page F-2).

FRESHMINISTRIES also operates a Benefits Bank, a software developed by the National Council of Churches that allows users to determine and apply for all of the benefits for which they are eligible including child care and food stamps. Currently being piloted in two states (one of which is Florida) the software is being prepared for launch in numerous other states around the country. The NCC is looking for community and local government organizations to utilize the software, reducing the need for applicants to go to multiple locations.

Multi-Service Centers in Practice

These programs offer a variety of social services to communities or special populations. To request a more comprehensive list, contact the Office of Jubilee Ministries at the Episcopal Church Center, (800) 334-7726, or at <http://www.episcopalchurch.org/jubilee.htm>. The Rev. Canon Carmen Guerrero is Director.

For more examples see **Directory of Ministry Models, Appendix F**. See also HCCI, above.

Church of Our Savior

(A Jubilee Center)

48 Henry Street

New York, NY 10002

Office Phone (212) 233-2899

Email: oursavior@ecoserve.org

Contact Person: Peter Ng, Director

History

This ministry was established in the early 1970s in New York's Chinatown. The service ministry began in 1991 and was designed to meet the needs of Chinese immigrants. Our Savior was the first Asian congregation to be designated a Jubilee Center. It is a broad program which includes an after-school tutorial program for children, a Jubilee youth Choral Program and an adult education program.

Program Description

The economic features of this program are the job training and job generation programs, including web page design for non-profits, a computer recycling program and a graphics, publishing, and printing program all geared to non-profit organizations.

1. ECOSERVE creates multi-tier web pages for non-profit organizations at a nominal cost. The program also assists in web-related products and services such as on-line directories, on-line registrations, offering downloadable content, etc. The Computer Recycling Program takes donated computers, overhauls and repairs them, and distributes them to other Jubilee Centers across the country.
2. Gateway Adult Education Center offers English Language instruction and computer training to low-income immigrants. Its mission is to enhance the ability of disadvantaged immigrants to find better employment opportunities in the United States.
3. A computer training program includes introduction to Computers, Exploring Windows, Discovering the Internet, Learning Windows Office Applications, and Web design.
4. Our Savior's After School Program offers tutorial services for children from grades 1-8, including homework assistance, special workshops and group games and activities aimed at enhancing social skills.

5. Our Savior's Chinatown Health Fair is an annual joint venture with St. Vincent's Hospital and Medical Center.
6. The Jubilee Youth Chorale is composed of students from all five boroughs and New Jersey, who are taught music, singing, voice. The Chorale has performed at Lincoln Center, Carnegie Hall, Washington National Cathedral, the Diocese of Los Angeles, Brazil, and at an American Cancer Society fund raiser, consecrations of Bishops, and in a Walt Disney film.
7. Mission Graphics offers non-profit organizations competitive pricing and services in graphics, publishing, and printing.

Methods

As a member of the Jubilee Ministry Network, the center has benefited from the resources available as part of the network; and serves as a model and resource to others.

- The Youth Chorale raised funds for Jubilee Centers in the West Coast in a Summer Concert Tour, and for the National Jubilee Office in a concert at General Convention in Denver.
- Church of Our Savior established a Companion relationship with the Diocese of Southwest Brazil, a Jubilee Ministry. The Chorale was invited to their Diocese Anniversary Celebration, and sang in a three city concert tour to fund raise for the Diocese. The Church also sets up fundraising efforts annually to help the Companion Diocese, contributing to the building of their new conference center and various ministries to empower their people in need.
- The Computer Recycling Program works with the Jubilee Ministry office in the distribution of refurbished computers. The program has donated computers to many centers, churches, priests and seminarians nationwide and internationally.

- At Jubilee Ministry network meetings, the community center has showcased its work in workshops, forums, and panel discussions.

Rural Community Economic Development in Practice

Appalachian Center for Economic Networks (ACEnet)

94 Columbus Road
Athens, OH 45701
740-592-3854, 800-4-ACENET (800-422-3638)
shirleyj@acenetworks.org
Website: www.acenetworks.org

History

Rural communities in the U.S. are really hurting. Jobs are scarce and pay is low, forcing people to leave. Rural communities usually can't get public or private financing for business start-ups. Often, big companies that locate in these areas do not re-invest their profits in the local community but send the money far away to "headquarters."

This was the situation in southeastern Ohio in 1985 when community members came together as the Appalachian Center for Economic Networks (ACEnet) to find ways to develop a health regional economy. ACEnet decided the best bet was worker-owned cooperatives modeled after the Mondragon cooperatives of Spain. (See the Mondragon write-up at www.acenetworks.org) In 1985, ACEnet helped local people start ten worker-owned businesses that are still in operation today.

Program and Methods

In 1989, ACEnet recognized that just starting businesses was insufficient. What rural Ohio needed was a way for people to spontaneously develop their own businesses. In 1991, ACEnet developed a business incubator similar to one in Modena, Italy, where community organizations create businesses based on niche markets and local

community resources. ACEnet's business incubator provides low-cost space, reception, fax, and computer services and has incubated more than 45 businesses since 1989.

In 1993, ACEnet decided to match local resources (truck farmers and restaurants with unique local products) with a local niche market for food. ACEnet built a licensed facility, called the Food Ventures Center, where local entrepreneurs rent ovens, stoves, and food-processing equipment to develop and produce their own products, such as relishes, jellies, and pasta. Food Ventures also helps entrepreneurs with business plans, financing, marketing, and management of their specialty food businesses. The Food Ventures Center has provided assistance to more than 150 food businesses, and over 70 entrepreneurs have used the facility to process products.

In recent years, ACEnet has developed a community technology center called TechVentures, giving local residents access to computers, the Internet, and training. TechVentures staff is also training teachers in local schools to teach students how to set up computer-based businesses. ACEnet also provides loans and awards to the businesses it works with.

ACEnet has shown that good sustainable local economic development is possible in rural areas using local resources and talent. This model can be replicated in any area where people have a good understanding of local resources and markets. ACEnet's work shows the importance of providing shared resources and ongoing support (planning, financing, marketing, and management) to businesses so they become stable and thrive.

See also **Appalachian Community Development**, Appendix F.