

Race, Ethnicity and Class: Facing the Limits of Community-based Development

Author: Dr. Margaret Wilder
School of Urban Affairs & Public Policy
University of Delaware
Newark, DE 19716
USA
01-302-8316294 (phone)
01-302-831-4225 (fax)
mwilder@udel.edu

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Introduction

In far too many urban contexts, racially and ethnically distinct neighborhoods have become synonymous with negative social and economic barometers such as poverty, joblessness, deteriorating housing, crime and violence, and marginal businesses. These neighborhoods are an ever-present reminder that the benefits of urban development are not evenly distributed across communities. The “unevenness” of urban neighborhoods is but one manifestation of broader scale processes of social and economic differentiation, as well as explicit public policies. In the U.S. context these macro level processes have evolved over the past three centuries, yielding an urban landscape that reflects the basic contours of private market determinism and institutionalized racism. Urban neighborhoods represent microcosms of these macro dynamics. As such they provide an important context in which to examine both the negative consequences and more promising potential of development processes.

At least three forms of development affect such neighborhoods: 1) privately financed projects, 2) publicly-financed projects, and 3) community-based projects. In recent decades, numerous examples of blended (public-private sector) projects have emerged, creating mega projects such as athletic stadiums and convention centers. More traditional downtown redevelopment projects and urban renewal have a lengthy history of neighborhood disruption and displacement of residents and institutions. In contrast to these externally determined and controlled projects, are the alternatives found within community-based development.

Community-based development in the U.S. Context

Beginning in the late 1960s, social activists and Democratic party leaders saw the need to address the problems of inner city neighborhoods through targeted development. Social critics acknowledged that these areas reflected years of social and economic marginalization of minority residents, neglect of neighborhood institutions and infrastructure by the public sector, and wholesale disinvestment on the part of the private sector. The assumed answer was to create neighborhood-focused development activities. Federal funding under the War on Poverty programs of the Johnson administration, as well as support from major philanthropies such as the Ford Foundation, laid the groundwork for the evolution of community-based development organizations (CBDOs) throughout the U.S. (Fisher, 1994; Keating, 1989; Pierce and Steinbach, 1987). Spurred by federal funding for low-income housing development, CBDOs grew in number throughout the 1970s and 1980s, becoming more entrepreneurial through partnerships with both private and public sectors (Vidal, 1992). By the 1990s, they were well established as a major component of the “third sector” (i.e., the nonprofit sector). In 1995, CBDOs engaged in housing rehabilitation and construction received \$2.4 billion of federal housing outlays, accounting for 37 percent of such expenditures.

Given the history of funding for CBDOs, it is not surprising that a large proportion of community-based development activities focus on housing. One estimate of their impact suggests that more than 700,000 units of housing were produced between 1960 and 1990 by community-based nonprofit developers (Walker, 1993). However, housing is not the sole enterprise of these organizations. CBDOs engage in a host of activities that

include business development, human development (e.g. job training and educational programs), social services (e.g. day care), and political organizing (National Congress for Community Economic Development, 1995).

The track record of community-based development is one that has generated both praise and criticism. National assessments of community-based development have acknowledged the achievements of CBDOs in creating badly needed affordable housing, providing critical support services to low-income residents, generating job opportunities, and facilitating inner city business development (Ford Foundation, 1998; Vidal, 1992; Pierce and Steinbach, 1990; Mayer, 1984). Recent studies have shown that CBDOs are successful due to their organizational philosophies and structures, linkages to local support systems, as well as their funding capacity and political clout (Gittell and Wilder, 1999; Gittell and Vidal, 1998; Walker and Weinheimer, 1998).

Despite the general praise leveled at CBDOs, most assessments of their activities also acknowledge their shortcomings. Since many of the organizations are modest in size (e.g. typically fewer than five staff members), and operate on highly variable funding support, they exist in a semi-permanent state of crisis to simply survive (Clay, 1990; Mayer and Blake, 1984; Stoecker 1997). Some of the organizations also lack the knowledge and experience to engage in the complexities of development projects. But perhaps the greatest challenge for CBDOs are the built-in conflicts between their goals of enhancing community power, and acting as agents of development (Bratt, 1989; Blakely and Aparicio, 1990).

Community-based Development and Social Segregation

Many of the communities that CBDOs serve are characterized by social, economic, and physical isolation from mainstream society. This separation exists primarily along racial, ethnic, and class dividing lines, and is manifested through residential segregation. These neighborhoods have evolved through processes of both voluntary and involuntary social segregation. Some segregated neighborhoods developed as people from the same background clustered together, supported by well-developed internal social networks. Other neighborhoods evolved as group members were forced to settle in specific areas. Despite laws protecting the rights of all citizens, zoning regulations and discriminatory real estate and lending practices have been used to keep people of color from buying into certain neighborhoods and confine them to pre-defined areas.

Such areas are generally marginalized, existing outside of the social and economic mainstreams of larger society. Despite their marginality, these neighborhoods play a distinct role in the larger urban context—they are the primary areas in which low-income and working class people of color can obtain housing and experience social acceptability. As such they are a critical context for community-oriented development efforts. But this context presents an enormous challenge to community-based development. A basic question arises from this challenge: how can community-based development efforts address the myriad of issues embedded in social segregation? The answer is not yet known. But the experiences of CBDOs provide a lens for viewing the elements of a realistic answer.

As currently constituted, CBDOs have assumed the role of “mediating institutions” (Berger and Neuhaus, 1977). These organizations “stand between” the macro level elements of society (e.g. government, private sector), and the micro level domain of individuals and groups. As such they play a dual role by serving the interests and supporting the development of individuals within a neighborhood context, while simultaneously promoting and protecting the interests of those individuals and groups vis a vis the

institutions of larger society (Williams, 1985). As Giloth (1988) argues, community-based development efforts seek to fill the void created by the inadequacies of private and public sector actions. As such, these efforts are continually challenged by the counteracting forces of inequitable economic, social and political processes; processes that determine access to opportunities and resources within urban communities.

This paper examines the influence of social segregation on community-based development efforts in a sample of urban neighborhoods. Case study examples are drawn from neighborhoods in three U.S. cities: Atlanta, Chicago, and Los Angeles. The basic research strategy involved qualitative field-based analysis of CBDO experiences in Atlanta, Chicago and Los Angeles. The research was conducted in three phases. In the first phase, neighborhoods were selected in which CBDOs were active based on published reports and local experts. A detailed profile of neighborhood attributes was developed for each site using U.S. Census and local data sources. The second and third phases of the study consisted of in-person interviews and on-site retrieval of relevant documents and reports. Over 122 people representing 107 organizations and agencies were interviewed during two sets of field visits. The paper summarizes the general findings from each city and presents examples of key strategies employed in community-based development. This analysis reveals both the potential of CBDOs to affect positive neighborhood outcomes, as well as their limitations in challenging social segregation.

Case studies of Community-based Development Organizations in Divided Neighborhoods

Racially and/or ethnically defined neighborhoods have evolved within the core of Atlanta, Chicago and Los Angeles. Paradoxically, segregation has produced both positive and negative effects on the social and economic development of neighborhoods. Within these enclaves, neighborhood businesses, and social and cultural institutions have developed that cater to the residents, providing goods and services often unavailable elsewhere. Residential segregation also has affected the development of political clout. Racially and ethnically defined neighborhoods have leveraged their voting power to help elect local, county and state representatives, many of whom are people of color.

However, in each of the city contexts, segregation has created substantial barriers to job and housing opportunities. Inner city neighborhoods have become increasingly distressed as middle-income residents have relocated to suburban areas, and local businesses have closed or moved as well. These problems and significant demographic shifts in some communities, have led to cultural misunderstanding and competition for scarce resources, fueling conflicts and hostilities among various groups. The following discussion highlights some of the experiences of CBDOs within segregated neighborhoods.

Atlanta : Community-based Development in the “New” South

The City of Atlanta has a long history of racial segregation. The creation of racially segregated neighborhoods and residential patterns has been a result not only of deliberate manipulation that included zoning and discriminatory lending and mortgage practices, but of natural factors as well, such as migration patterns and occupational choices (Bayor 1996). Racial separation was enforced in Atlanta through planning ordinances passed in 1913 and 1917, which were later declared unconstitutional. These regulations were superseded by a 1922 comprehensive plan that provided for race-based zoning. Specific areas were designated for Black residents; the resulting division gave Blacks far less land for housing than whites. By 1946, Blacks comprised a third of the city population but occupied a mere tenth of the city's residential land (Harmon 1996). Overcrowding in the black districts created a demand for black expansion areas. The Atlanta Housing Council in 1947 determined six expansion areas as safe for black migration. These areas were in the west, south, and north near sectors already occupied by blacks and on land owned by blacks (Bayor 1996). Public housing was also used as a deliberate measure to maintain housing segregation. Separate public housing developments were built for blacks and whites, with separate offices processing public housing applications. Most public housing developments were constructed in predominantly black areas west and south of the downtown (Stone 1989; Bayor 1996).

While residential segregation has been a blemish to Atlanta's image as a progressive Southern city, there have been certain advantages resulting from racial separation. Black businesses thrived because African Americans had no choice but to patronize neighborhood enterprises that included banks, insurance establishments, shops, and other commercial institutions. Black

real estate firms benefited from the construction and sale of housing for black residents (Stone 1989; Bayor 1996). Residential segregation was also instrumental in the development of black political clout that would gain concessions for the black community and eventually place black mayors in City Hall.

The overall impact of this history is a highly segregated city. While racial segregation has been maintained for the most part, an equally apparent gap has evolved between classes among both whites and blacks. Middle-class whites have moved out to northern suburban counties. Similarly, middle-class blacks have migrated out to suburban counties south of the city.

Despite the obvious effects of race and class in Atlanta's neighborhood patterns, many of the individuals interviewed admitted that issues of race and class are not openly discussed in the city by leaders or organizations. This basic tendency was apparent in the study neighborhoods and CBDOs as well. The CBDOs within these neighborhoods did not adopt strategies specifically aimed at addressing issues related to social segregation. Rather, the organizations tended to focus their efforts on either stabilizing and maintaining the racial and class structure, or alternatively, sought to change the neighborhood's character through "upgrading."

The Reynoldstown Neighborhood—maintaining a stable Black community

Reynoldstown, initially a white settlement, had its beginnings as a Georgia Railroad depot after the Civil War. Freed slaves gravitated to the area, and it became a working-class community of railroad, service and construction workers during the first half of the twentieth century. Black laborers tried to find work at the Fulton Cotton Mill in the neighboring community of Cabbagetown. The predominantly white working-class residents of Cabbagetown violently resisted the intrusion of black workers (Reynoldstown Revitalization Project 1995).

Reynoldstown began to deteriorate after the loss of employment opportunities in the vicinity. The neighborhood became less important to the railroad with the conversion of coal-fired engines to diesel in the 1930s. The Fulton Cotton Mill ended operations in the 1950s. The construction of interstate highways isolated Reynoldstown and the rest of Southeast Atlanta from the jobs in northern Atlanta. This series of events resulted in the flight of Reynoldstown's more affluent families moving to suburban Atlanta. The neighborhood's population dramatically declined between 1970 and 1990. By 1990, Reynoldstown had a population of only 2,195, a quarter of which were seniors and over 40 percent were living below the poverty level (Reynoldstown Revitalization Project 1995; U.S. Bureau of the Census 1970, 1990).

The neighborhood's CBDO, the Reynoldstown Revitalization Corporation (RRC) has developed a set of programs aimed at promoting community unity, pride and stability. The needs of residents define the organization's strategy. The senior citizen-led civic association has partnered with the CBDO to sponsor a quilting group, as well as Meals on Wheels. RRC has selectively engaged in housing activities that are designed to provide in-fill development and extend the life of the neighborhood's housing stock.. Much of this effort has focused on securing funds to assist low-income and elderly residents with needed renovation of their homes. The organization has worked with Habitat for Humanity to construct about 30 additional low-income homes, and it renovated a 30-unit apartment complex. A major theme of RRC efforts is community arts. The CBDO established an art gallery and has produced a video on quilting by its elderly women. RRC also conducts an Annual Wheelbarrow Summer Theatre that utilizes local community talent in gospel music and performances. The CBDO has secured a historic district designation for its neighborhood.

The Summerhill Neighborhood—Class transition in a poor Black community

The neighborhood of Summerhill was one of three original black settlements that sprouted on the southern end of Downtown Atlanta after the Civil War (Russell 1988). While Summerhill was predominantly black, the neighborhood also had a large Jewish population before the 1930s. The construction of Interstate -20 in the 1960s bisected the neighborhood and spurred the flight of Summerhill's Jewish population and its more affluent black residents. Subsequently the neighborhood deteriorated to blighted conditions with high rates of unemployment, poverty, single-parent families, high school drop-outs, and infant mortality. The neighborhood also suffered from poor housing conditions and crime. In 1966, the shooting by a white police of a black man attempting to escape arrest, sparked race riots in the neighborhood that resulted in mass arrests and destruction of property (Harmon 1996).

Summerhill was impacted significantly by the 1960s Federal Model Cities Program. Although the program demolished large areas of dilapidated housing, very few replacement units were built. This imbalance caused displacement of Summerhill residents and left large tracts of land in the neighborhood vacant (Bayor 1996). The neighborhood's population of over 20,000 residents in 1950 dwindled to 6,111 by 1970. By 1990, Summerhill's population had further decreased to 2,197. At the start of the nineties, 89 percent of Summerhill was African American and only 7 percent was white. Most of Summerhill's residents were poor by 1990 with almost 60 percent of residents in the neighborhood living below the poverty level (U.S. Bureau of the Census 1970, 1990).

In the 1990s the neighborhood was impacted by a major local development initiative. Summerhill's strategic proximity to Downtown Atlanta, had made it neighbors to the city's major sports stadiums. In the midst of the city's planning for hosting the 1996 Summer Olympics, the Summerhill neighborhood came under direct pressure. A large area on the western boundary of the neighborhood was slated for developments that included a new Olympic Stadium, various track and field facilities, and extensive parking lots. The neighborhood's primary CBDO, the Summerhill Neighborhood Development Corporation (SNDC), approached the local Olympics planning committee with a long list of concerns. A series of meetings and threatened protests by other neighborhood groups, led to an agreement between SNDC and the Atlanta Committee for the Olympic Games. SNDC received guarantees for financial support from local banks, the State housing finance authority, as well as local and Federal community development programs. In addition, the neighborhood was included within the city's new Federal Empowerment Zone, giving it priority for various development initiatives.

Through a partnership with a private developer, SNDC acquired vacant lots, and engaged in the construction of 116 new townhouse units, the first new housing to be built in the neighborhood since the 1960s. The townhouses, priced at \$115,000, are beyond the paying capacity of the neighborhood's existing residents. A second housing project under development is also geared towards middle-income buyers. The construction of these housing units has triggered some gentrification in the neighborhood that opens possibilities for a different population mix. A profile of buyers indicates that 85 percent are black, 15 percent are white and between 60 to 70 percent are professional women. Already, there are strong indications that Summerhill's poorer residents are being pushed out of the neighborhood with increasing rents and property values. Although some neighborhood leaders are critical of SNDC's development activities, noting the displacement of poorer residents, the neighborhood is frequently cited in the city's public relations promotions as a success story of community partnership with public and private sectors.

These two examples of community-based development in Atlanta reveal distinct approaches to neighborhood renewal. In the Reynoldstown neighborhood, the RRC views the neighborhood as a unique resource for lower-income Black residents, particularly the elderly contingent. Thus the CDBO is seeking to stabilize the existing neighborhood by providing a set of housing, planning, cultural, and service-oriented activities that address the needs of current residents. In contrast, SNDC sees its surrounding neighborhood as a distressed poverty-stricken area in need of significant change. This CBDO is attempting to upgrade the Summerhill neighborhood by replacing its housing stock and creating a more mixed-income community. This strategy is providing a vehicle for middle-class households (both Black and White) to move into a conveniently located area. However, it is creating noticeable displacement for lower-income Blacks.

Chicago: Community-based Development in a City of Neighborhoods

Beginning in the late 1800s, Chicago experienced a period of significant industrialization and economic growth that was accompanied by equally dramatic waves of immigration from rural areas of the U.S. as well as Europe. The ultimate result was the creation of a city of immigrants, and ethnically-defined neighborhoods. While most ethnic groups chose to cluster themselves around religious or social institutions that catered to their unique backgrounds, non-white, non-European groups were confined to specific areas through restrictive covenants and discriminatory housing policies.

Between 1840 and 1850, streams of black refugees came to Chicago trying to escape slavery in the South. They were greeted with segregation in housing, employment, education, transportation, and public facilities. By 1900, over 50 percent of Chicago's black population would be concentrated in three contiguous wards in the South Side. A great wave of black migration from the South, from 1914 to 1918, was drawn by Chicago's booming industries. The new immigrants flooded the South Side wards that came to be known as the Black Belt, causing it to expand to adjacent communities and spurring the flight of white residents. By 1920, the Black Belt was home to 90 percent of Chicago's black population (Chicago Commission on Race Relations 1968; Drake and Cayton 1962).

As housing shortages increased, white residents became more adamant about keeping their neighborhoods exclusive. A wave of bombings and racial incidents ensued. By 1925, the bombings had stopped and restrictive covenants, an agreement between property owners not to sell to blacks, became the major tool to control black expansion. By 1930, three quarters of all residential areas in Chicago were covered by restrictive covenants (Chicago Commission on Race Relations 1968).

The migration of over 60,000 blacks lured by wartime industries during the Second World War exacerbated the over-crowded conditions of the Black Belt. A 1948 court decision, *Shelley v. Kramer* declared restrictive covenants unenforceable and made available more housing vacated by whites. The 1948 decision allowed the movement of middle-class blacks to an area south of the traditional Black Belt (Drake and Cayton 1962; Bowly 1978; Grimshaw 1992).

Latinos have experienced a similar history of social segregation in migrating to Chicago. In 1890, Chicago had only 64 Mexicans amongst the city's total population of 1.1 million. A century later, persons of Spanish origin numbered almost 550,000 comprising about 20 percent of Chicago's population in 1990 (U.S. Bureau of the Census, 1990).

Mexicans initially settled in neighborhoods surrounding the industries where they worked. These neighborhoods were located west and south of the downtown: the Near West Side where the railroads converged, South

Chicago with its steel plants, and Back of the Yards with its concentration of packing houses. By 1930, there were 20,000 Mexicans in Chicago. Massive deportation during the Great Depression reduced the Mexican population to 16,000 by 1940. Anti-Mexican sentiments that culminated in the "zoot-suit" riots in Los Angeles in 1943 heightened hostility towards Mexican-Americans in Chicago. The Bracero Program in 1942, re-opened immigration for Mexicans to work in agriculture. Some braceros ended up working in defense-related industries (Mazón 1984; Año Nuevo Kerr 1984).

After the Second World War, bracero importation ceased and many ex-braceros remained in Chicago. By the mid-1950s, members of other Latino groups joined Mexican residents. These included Puerto Ricans, Cubans, and South and Central Americans (Año Nuevo Kerr 1984). By 1960, the attraction of established Latino neighborhoods, adjacent employment opportunities, and limited alternative residential choices due to housing discrimination, created distinct ethnic enclaves. Puerto Ricans were found in the West Town and Humboldt Park neighborhoods, while most Mexicans were concentrated in the Pilsen area, more formally known as the Lower West Side (Mayer and Wade 1969).

The Pilsen Neighborhood—Community development in a stable Latino neighborhood

The neighborhood of Pilsen was originally one of two Czech settlements in Chicago established in the late 1800s. In the 1950s, the area began to attract Mexican laborers to its nearby industries, and its original residents gradually retreated to suburban communities (Mayer and Wade 1969; Kantowicz 1984; Feely 1996). In 1968, the building of the new University of Illinois Chicago Circle campus in an adjacent neighborhood displaced Mexicans, and their Italian and Greek neighbors; the displaced residents flocked to Pilsen (Kerr, 1976). By 1970, Pilsen had experienced a noticeable change with Mexicans comprising fully 25 percent of its 41,500 residents. By 1990, Pilsen's population had increased to 43,320, of which almost 89 percent were Latino (U.S. Bureau of the Census 1970, 1990). Today, the neighborhood's ethnic heritage is strongly evident in its ethnic restaurants and colorful murals depicting Mexican history and culture (Feely 1996).

Pilsen is a typical working class community with both stable community institutions and neighborhood problems. Unemployment in the neighborhood has been comparable to the city's average (in 1990, about 12 percent). However, the 1990 poverty rate was slightly higher (28 percent vs. the city's average of 22 percent). The neighborhood housing stock is rapidly aging and vacancy rates are extremely low. Newer developments in adjacent neighborhoods are creating an upward pressure on housing values and rents within Pilsen, a significant problem given that 75 percent of housing units are renter-occupied (U.S. Bureau of the Census, 1990). In addition, crime and other forms of violence have created tensions within the neighborhood.

Over time the neighborhood has developed a fairly active group of leaders and community organizations. One of the most active CBDOs is The Resurrection Project (TRP), an organization formed through a coalition of several churches and a social service agency. According to its leadership, the basic mission of TRP is to "create healthy communities through organizing, education and community development." To date the organization has engaged in construction of over almost 200 units of rental and owner-occupied housing. Through financing partnerships with major local banks, and a \$2.4 million grant from the City of Chicago, TRP has made home-ownership possible for both low and moderate-income residents. Additional units of "supportive" housing have been renovated to provide shelter for homeless women and their children. Other TRP projects have created community facilities such as a family resource center, a daycare center, and two health clinics. A separate division has supported

the creation and operation of a small business incubator. This effort has led to the development of 19 new businesses and almost 60 new jobs.

One unique aspect of TRP's approach is an explicit focus on community organizing. The organization seeks to encourage the development of community leaders through the establishment of block clubs. Through door-to-door campaigns and neighborhood meetings, TRP has actively solicited resident input and involvement in public discussions of community issues. Recent proposals for expansion of the University of Illinois campus have raised concerns on the part of residents about potential displacement and gentrification. The University plans to develop a 45-acre site that will include educational facilities, a performing arts center, parking facilities, dormitories, and up-scale housing units for faculty and staff. TRP has joined forces with other community-based organizations in an effort to minimize physical disruption of the neighborhood and its sense of community.

The Woodlawn Neighborhood—Community development in a traditional Black “ghetto”

At the edge of the Black Belt, the 63rd Street Station of the Illinois Central Railroad in Woodlawn became the entry-point for migrating blacks from the South during the 1940s. Urban renewal projects north of Woodlawn further advanced the neighborhood's racial transition such that its population turned from 86 percent white in 1950 to 86 percent black in 1960. As a deteriorating white neighborhood in the 1950s, the increasing black population moved into the old housing vacated by whites. Woodlawn became so congested that in 1960, 60,000 persons resided in less than one square mile, with a net density of 250 persons per acre (Fish 1973; Brazier 1969).

The neighborhood suffered another population flight starting in the 1970s, this time by middle-income blacks moving into the suburbs. Woodlawn's population dropped dramatically from 53,814 in 1970 to 25,744 in 1990, a total decline of over 52 percent in two decades. The neighborhood has remained predominantly black, with African-Americans comprising over 95 percent of its population since 1970. The black middle-class flight has left the neighborhood with a decidedly disadvantaged population. In 1990, approximately one-third of the neighborhood's residents lived in poverty, and almost one-fourth was unemployed (U.S. Bureau of the Census, 1990). Equally telling is the high proportion (70 percent) of land still vacant from “blight” clearance and urban renewal programs (Longworth, 1973).

Despite its significant social and economic problems, the Woodlawn neighborhood has given rise to a number of viable community-based development organizations. One of the oldest CBDOs, The Woodlawn Organization (TWO) grew out of a coalition of neighborhood associations, civic organizations and churches formed in 1960 to stem the tide of neighborhood decline. The main thrust of the organization was community organizing around issues of neighborhood concern. During the 1960s, TWO used protests and boycotts to pressure local stores to lower prices and improve product quality, and forced absentee landlords to make essential repairs to rental units. These victories led the way to an even larger challenge: a major planned expansion of the University of Chicago into the Woodlawn neighborhood. After protracted protests and negotiations, a compromise agreement was reached between TWO and the University that provided relocation assistance and support for new low-income housing.

Throughout the 1970s, the organization's range of activities expanded to include social services, infant health care and child development. These activities are now a small part of an extensive network of human service programs that range from drug treatment to job counseling and placement.

In 1972, TWO created a subsidiary, the Woodlawn Community Development Corporation (WCDC) for the planning and implementation of physical and economic development projects. The primary goal of this new entity was to create a neighborhood environment that would attract middle-

class households back to the neighborhood. The WCDC has formed a partnership with two other CBDOs, the Woodlawn Preservation and Investment Corporation (WPIC) and the Fund for Community Redevelopment and Revitalization (FUND). Together the organizations have developed 35 new single-family homes for moderate and middle-income families priced from \$97,000 to \$142,000. This initial development is one of several housing projects completed by the FUND and WPIC in association with various neighborhood organizations, local banks, investment groups, and private foundations.

The CBDOs have also focused on quality of life issues such as crime and schools. A full-time security officer has been hired to deal with public safety around the new developments. An education coordinator has also been employed to help local public schools improve their reputation. Recent homebuyers in the area have included both middle-income blacks and some white professionals from the nearby University of Chicago. This trend has implications for the neighborhood's racial mix, possibly transforming it to a mixed-income, integrated community in the future.

Los Angeles: Community-based Development in the New Age Metropolis

While Los Angeles is a multiracial, multiethnic metropolis, a long history of discrimination and racial violence have earned it the dubious distinction of being one of the most segregated cities in the U.S. Latinos are the largest population group in the City of Los Angeles, comprising almost 40 percent of the city's 3.5 million residents in 1990 (U.S. Bureau of the Census 1990). The heavy influx of Mexicans, Guatemalans, Salvadorans, and other Latin American immigrants in the 1980s has created a sharp increase in the city's Latino population.

While Mexicans came with the early Spanish colonizers, it was the Mexican Revolution of 1910 and the Cristero Rebellion of the 1920s, which served as the impetus for the influx of Mexican immigrants to the United States. Over one million Mexicans were estimated to have immigrated during the early twentieth century as a result of political and social conditions in Mexico, and the employment opportunities associated with growing industrialization in the United States (Miranda 1990; Acuña 1996; Romo 1983). Faced with hostility and violence from white residents, early Mexican immigrants settled in segregated downtown neighborhoods like Sonoratown and the adjacent Plaza district. These original ethnic enclaves eventually became overcrowded with the influx of more immigrants, creating a movement of Mexicans east of the downtown and south towards Watts and South Central Los Angeles (Miranda 1990).

Blacks have experienced a similar history of segregation in Los Angeles. Comprising about 13 percent of the 1990 population, Blacks have long been attracted to the economic opportunities California offers. Black migration was heaviest during the period from 1910 to 1930, with significant residential concentrations occurring in the core of Los Angeles, where Black businesses and residences were built. Black residential areas were economically integrated, but subtle dividing lines of residence separated working-class and middle-class blacks, with those from the east side of the Black district viewed as poor, and those from the west side as middle-class. During the 1920s, some Blacks moved out from the core, settling in Watts (an area annexed to the city in 1926), and East Los Angeles. Antagonism towards black migrants was evident among property owners who feared black incursion in their communities. Housing segregation was enforced through racial covenants, thus confining Blacks to a limited set of residential areas (Collins 1980; O'Toole 1973; Bunch 1990).

World War II spurred a second massive influx of black migrants to Los Angeles with approximately 200,000 coming to the city between 1942 and 1945 (Bunch 1990). Acute manpower shortages due to the draft provided entry for blacks to work in the aircraft and shipbuilding industries. However, the city was not exactly welcoming to Blacks. Some Black migrants were excluded from jobs due to hiring discrimination. Housing segregation confined the new migrants to pre-war settlements resulting in overcrowding in the black community. By 1950, the majority of black citizens living in Los Angeles County resided in the City of Los Angeles, specifically in the South Central and Watts districts (Collins 1980).

Today, Blacks and Latinos often compete amongst themselves, and against each other for residential opportunities. This competition reflects the realities of a housing market with a severe shortage of affordable units, limited residential areas open to non-white residents, and the increasingly diverse character of Los Angeles' resident population. These realities are strikingly evident in two of the city's neighborhoods: Pico Union and Watts.

The Pico Union Neighborhood—Inter-ethnic and Gender Complexities in Community-based Efforts

The Pico-Union/Westlake district, a longtime area of residence for Mexican immigrants, has become the receiving area for Salvadoran and Guatemalan refugees since the start of the Central American political upheavals in the early 1980s. Central Americans comprise about a third of the Pico-Union/Westlake district, while Mexicans account for another third. Asians account for almost 11 percent, while non-Hispanic whites and blacks make up the balance of the population. In 1990, over 70 percent of the neighborhood population was foreign-born population, and more than 78 percent spoke a language other than English at home (U.S. Bureau of the Census 1990). The area has been a magnet for immigrants because of its inexpensive housing stock, convenient public transit routes, and its accessibility to service jobs located in the center and the Westside of the city. These factors have contributed to making Pico-Union one of the most overcrowded sections in the city.

The neighborhood is plagued by serious economic and social problems. In 1990, approximately 36 percent of the community lived in poverty, and about 12 percent were unemployed (U.S. Census Bureau, 1990). Population densities are such that the neighborhood may be the most densely populated residential area west of the Mississippi River (Lovato, 1992). Predictably, homelessness is a significant problem as well. The neighborhood has a five-block long alley that is home to shacks put up by homeless individuals.

The community has several active organizations that focus on a range of issues from immigration and citizenship, to cultural awareness, social services and medical assistance. However, given the context, housing and employment initiatives have become the primary foci for CBDOs.

One of the most successful and active organizations in the neighborhood is the group known as New Economics for Women (NEW). This CBDO was founded in 1985 with a specific focus on the needs of women within the Latino population of the neighborhood. Of particular concern were the housing and employment barriers faced by single women with children. In 1990, more than 50 percent of female-headed households in Pico Union lived below the poverty line. NEW has adopted a "holistic" approach to meeting the needs of women and children using housing and economic development as key strategies to create self-sufficiency. Between 1988 and 1995, the CBDO completed three major housing developments that provide more than 200 new apartment units for families and senior citizens, and 60 units of rehabilitated housing for teenage mothers. Within its housing projects, NEW offers an integrative program of social services, child care, adult literacy, teen social clubs, personal finance, job placement assistance

and small business development. More recently NEW has embarked on a new set of activities with an economic development focus. The basic goal of this strategy is to create new small businesses and employment options for neighborhood residents. One outcome has been the establishment of a health services incubator.

The Watts Neighborhood—CBDs in a Zone of Transition

Watts was predominantly middle-class with professional and white-collar residents before 1940. The influx of new black migrants who had no choice but to settle in South Central and Watts exacerbated the living conditions in the area during the Second World War. Unlike earlier Black migrants who were skilled, the newer migrants from the South had fewer skills and little knowledge of private entrepreneurship (Collins 1980). Difficulties in adjusting to an urban setting resulted in social problems that included drunkenness, crime, drugs, prostitution, juvenile delinquency, gangs, and a breakdown of family life. Middle-class Blacks retreated from the neighborhood into outlying communities.

The volatile situation in Watts erupted into riots in August 1965 against the Los Angeles Police Department. While there were efforts to rebuild Watts after the riots, the globalization of capital and labor in the 1970s and 1980s resulted in plant closures and the loss of manufacturing jobs in the area. This in turn led to widespread unemployment and increasing welfare dependency among residents (Sears 1994). Spatial mismatch has also contributed to high unemployment. As other jobs have moved to the suburbs, low-income blacks have been unable to follow because of residential segregation and inadequate public transportation (Leonard 1987). In 1990, the neighborhood's poverty rate was approximately 51 percent, and about 26 percent of its labor force was unemployed.

In addition to these economic conditions, Watts has undergone a demographic shift with the influx of Latino immigrants from Mexico, El Salvador and Guatemala. While the area was predominantly Black during the 1965 riots, the community has become increasingly Latino. By 1990, Latino presence in Watts had increased to 43 percent (U.S. Bureau of the Census 1990). Current estimates suggest that Latinos now outnumber blacks in the neighborhood.

One key factor in the transition is Black flight to suburban Los Angeles. Changing property values and gang violence have been identified as major causes for middle-class and working-class black families to move away. On the other hand, Latinos have moved into houses vacated by black families rather than pay higher rents in Latino communities like East Los Angeles and Pacoima. Others want to escape the violent drug trade in the Central American sections of Pico-Union (Tobar 1990).

The transformation of Watts from a segregated Black community to a growing barrio is evident with the rise of Latino-owned stores and the dwindling number of black-owned businesses. The cultural transformation has led to racial tensions and resentments among those who have lived in the community for generations. Racial tensions have been exacerbated by the presence of Korean-owned businesses whose owners do not reside in the area. The racial/ethnic tensions that exploded with the 1992 Civil Unrest, are still very apparent. The legacy of riots and the changing social make-up of Watts, have created significant challenges for CBDs in the area. The experiences of two organizations reflect the neighborhood's troubled past and exemplify its emerging realities.

The Watts Labor Community Action Committee (WLCAC), established in the 1965 by labor activists, is a primarily African American community development organization. In the aftermath of the Watts riots, the organization embarked on an aggressive program of physical and economic development. In 1971, a \$2.1 million loan from an auto workers pension fund, and other support from an area bank, gave WLCAC its first housing

development project. Since that time, the organization has built or rehabilitated over 500 units of rental housing for low- and moderate-income families and senior citizens. These units are all owned and managed by WLCAC. The revenue from these housing activities has been reinvested in the community through other WLCAC programs. The organization operates a neighborhood center for senior citizens that provides recreational and educational programs, hot meals, health screenings and transportation. Other WLCAC activities include: a child care center, a youth enterprise center, an on-the-job training program for youths and adults, and a homeless assistance program. In the process of engaging in housing development, WLCAC created two commercial enterprises: a house moving company and a home improvement supply store. The organization also owns a 25 percent share of the neighborhood's primary shopping center.

As the neighborhood has undergone population changes, WLCAC has reassessed its program philosophy and focus to incorporate the needs of Latino residents. The organization has sponsored cultural and music events, and workshops to promote mutual understanding between African Americans and Latinos. The organization has taken steps to respond to the growing Latino population in Watts by hiring bilingual staff. But perhaps most significant is WLCAC's support for a new community-based organization: the Watts/Century Latino Organization (WCLO).

The Watts/Century Latino Organization (WCLO) was established in 1990 in recognition of the growing Latino population in Watts and South Central Los Angeles. Organizers felt that Latinos were underrepresented in community activities, and that there was a need to focus on their needs and concerns. While WCLO's membership is 95 percent Latino, the organization is seeking to build coalitions between African Americans and Latinos. The organization's primary approach is to engage in community organizing to raise the awareness of residents to neighborhood needs and potential.

One example of the organization's organizing and coalition-building efforts occurred during a water quality crisis. In 1991, residents within the Watts neighborhood began to observe brownish water coming from their faucets. WCLO organized African-Americans and Latinos, met with public officials and did some lobbying to no avail. They later rented two buses and stormed a public hearing of the Water and Power Commission, who were given samples of the contaminated water. After several tests and technical reports, a threat of a class action suit prompted the Water and Power Commission to repair the water lines in the community. The repairs restored the quality of the residents' water supply and demonstrated their ability to come together around a shared agenda.

Conclusion

Community-based development organizations are facing considerable challenges in mediating both the long-standing effects of social and physical isolation, as well as more recent inter-group competition and conflict. There is clear evidence that these activities have helped to address some of the negative outcomes of segregated neighborhoods by providing critical community services, and promoting neighborhood solidarity and multi-cultural understanding.

CBDOs typically provide important leadership within their neighborhoods. As such, they are logical candidates for intervening in inter-group conflicts. This role, however, represents a relatively new area of activity for CBDOs. Their prior experiences with housing, service delivery and economic development give them organizational competencies, but not necessarily the skills needed to address socio-cultural dynamics. The experiences of the organizations summarized here show that there is a capacity for CBDOs to respond effectively to race and ethnicity issues. Specifically,

- CBDOs can help overcome interracial and interethnic conflicts through coalition building and promoting activities that foster multicultural understanding.
- CBDOs can enhance neighborhood pride and stability through art, music, and cultural activities.
- CBDOs can serve as vital links to needed housing and social services. In some contexts, the CBDOs can and should act as direct service providers. In others, where services are well-established, the CBDOs can provide critical referral and networking services.
- CBDOs can act as community organizing agents to galvanize potential political clout within neighborhoods to advocate for community interests.
- CBDOs can facilitate neighborhood-based planning activities that provide opportunities for leadership development among residents, and help to build consensus and raise awareness among community members.

While these roles are critically important, CBDOs must continue to press for meaningful social change within the larger institutions of society. For it is these entities that continue to generate barriers to equal opportunity. Our society must evolve to the point that the mediating role of CBDOs is no longer necessary.

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