

Advancing Knowledge and Capacity for Community-Led Development

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Evolution of Rural Policy

- Last official policy—Country Life Commission (1908)
- De facto policies:
 - favored subsidizing economic **sectors**
 - Transfer payments to **individuals** supplemented
 - **Place** supported only with infrastructure

Shift to Place-Based Approach

- Increasingly prevalent in Europe
- Consistent with World Bank emphases—
 - 1990—Economic growth, redistributive government programs
 - 2000—Economic growth, decrease vulnerability, increase voice (empowerment)
- Endorsed by U.N.'s Sustainability emphasis
- Occurring gradually in the US

What is Community-Led Development?

- Not just a matter of money
- Also includes
 - Hope
 - Participatory processes
 - Leadership capacity building
- From paternalism to collective engagement
- From “needs” basis to “assets” basis
- USDA’s EZ/EC program is an example

About the EZ/EC Program

- 3 “Rounds”: 1994, 1998, 2001
- 10 Empowerment Zones (EZ)
- 48 Enterprise Communities (EC)
- 55 designations based on high poverty
- 3 designations based on “emigration”

Elements of the EZ/EC Program

- Long-term, holistic
- Broad citizen involvement
- Partnerships emphasized
- Local visions guide
- Strategic, goal-driven
- Planned, monitored
- Collaborative federal-local relations
- Flexible program funding and implementation
- No one “silver bullet”

Community Capacity is Key

- Citizen led development requires local leadership capacity
- Rural leaders usually part-time, non-specialists
- Requires knowledge and capacity to implement democratic and intelligent process
- Research shows that **communities succeed best when they invest in capacity**

EZ/EC Accomplishments

- Ave. 15,000 population
- Many had little prior funding experience
- \$3.2 billion total funds raised (Jan. 2002)
 - \$56 million per community average
 - 5.7 percent from EZ/EC grants
 - Overall leveraging ratio: 17.7:1

Round I Study— Investment in Capacity Pays Off

- Investment in capacity related to:
 - Greater number of partners
 - High leveraging ratio
 - High citizen participation
 - More breadth in strategic plan scope (more benchmarks) for:
 - Education ($r=.59, p>.013$)
 - Public safety and justice ($r=.52, p>.031$)
 - Housing ($r=.50, p >.043$)
 - Children, youth and family ($r=.45, p>.07$)
 - Transportation ($r=.35, p>.05$)

Success Factors Identified in the Iowa Studies

- High levels of citizen participation
- Elected board members from local census tracts
- Grassroots participation
- On-the-ground community development specialist technical assistance
- Leadership and project management skills
- Best practices from other communities
- Accountability to the local community, not just program funders
- Higher bonding social capital within and outside the EZ/EC

Leadership Understanding of Empowerment Process Critical

- No guarantee a community will adhere to empowerment approach
- Some communities “get it,” others don’t
- Those that “get it” benefit more than those that don’t
- Benefits from following empowerment approach include:
 - Resource acquisition and use
 - Community buy-in and participation
 - Innovativeness of approaches
 - Satisfaction with the process

When the Program is Seen as “A Grant”

- “Give us the money and go away”!
- Example—an Empowerment Zone
 - “Strategy” was to open competition for grant funds to all comers
 - Priorities set *de facto* by proposals submitted
 - No clear strategic priorities or plan of implementation
 - No plan for long-term sustainability
 - Most projects had limited partnerships or leveraging
 - Citizen participation ineffective
 - USDA intervention after designation unable to change community behaviors
 - EZ has low leveraging ratio

When Community Has “Ego-Driven” Leadership

- “Ego-driven” vs. “servant” leadership
- Ego-driven leadership about personal achievements, not community success
- Example—an EC
 - One man controlled application process
 - EC sought as “a grant” and feather in cap
 - Leader tried to cut out part of area after designation
 - Leader tried to “pack” the board
 - Avoided reporting on fund use and program activity
 - Poor partnershiping, low leveraging

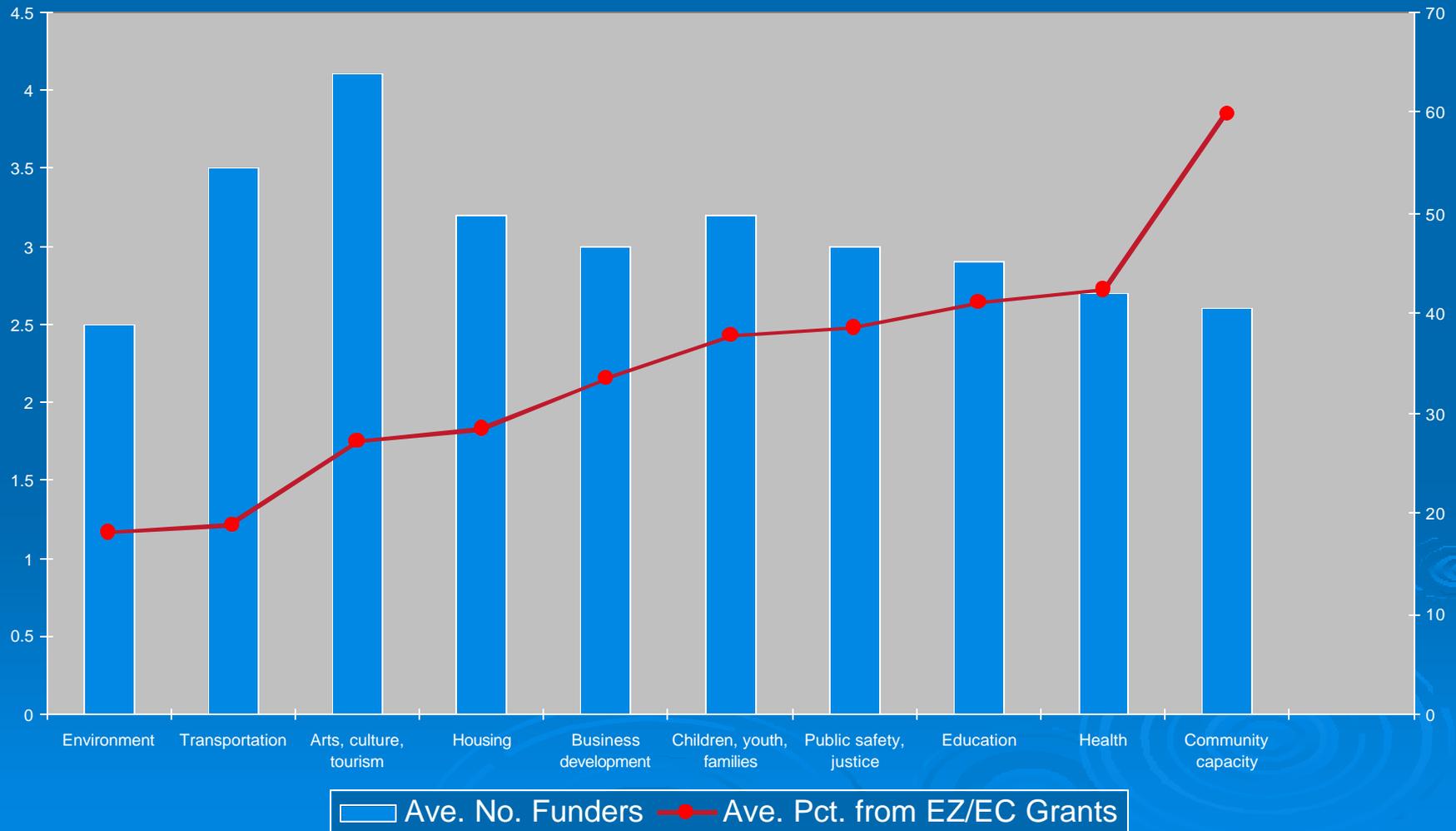
A Alternative Example: Citizens Take Control

- EC application written by local organization
- Planned to keep funds for own uses
- Citizens took over control, elected citizen board
- Changed Lead Entity
- Implementing a community-centered program focused on unique assets and needs

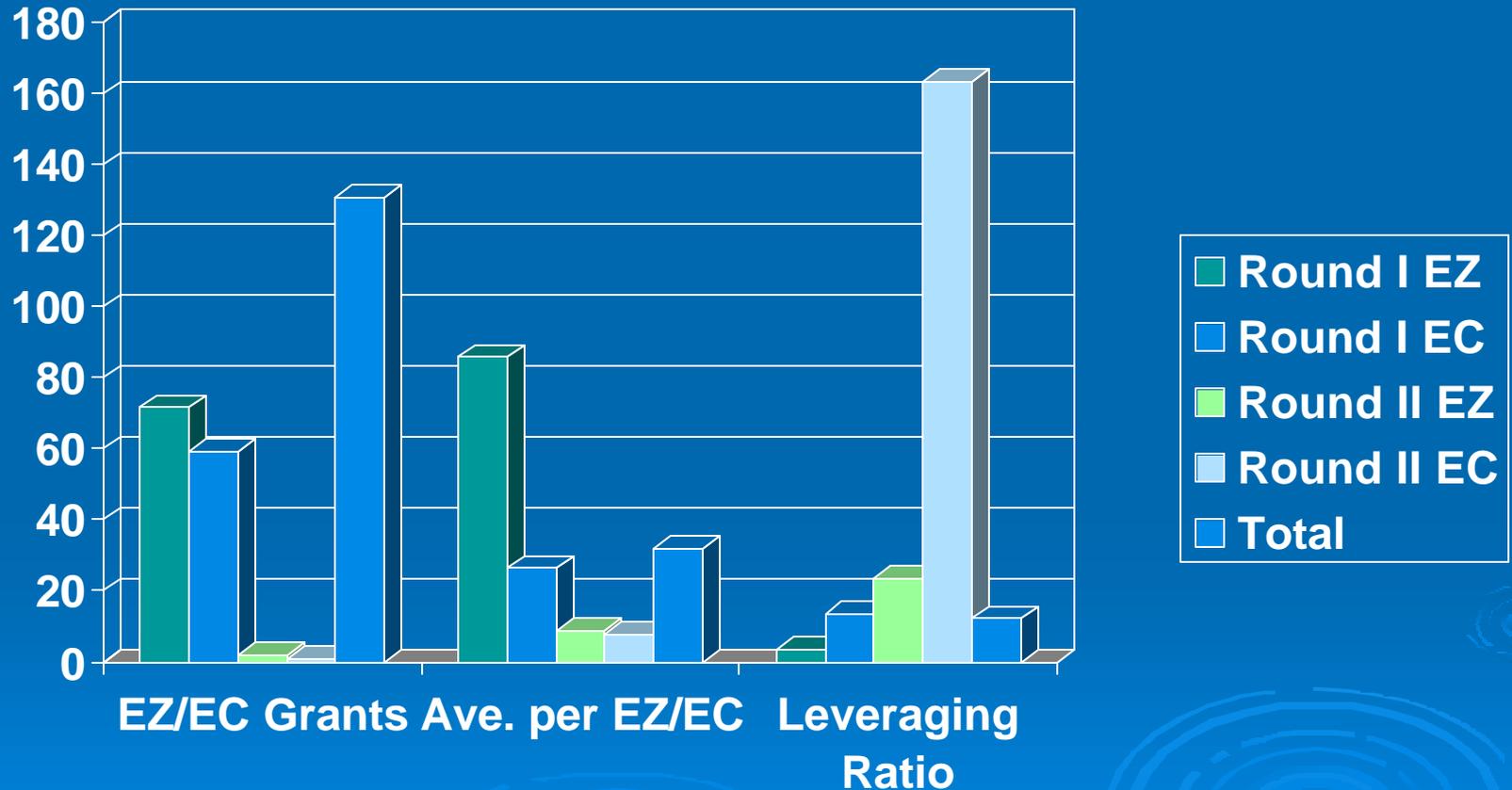
Some Program Design Issues

- Holistic approach is critical for “community” development
- No “silver bullets”—all single methods fall short
- Capacity building assistance is critical in rural areas
- Amount of grant funding has contradictory effects on community empowerment

Capacity Building Hardest to Fund from Non-EZ/EC Sources



Larger Grants Lead to Reduced Community Incentive to Succeed



Federal Support Methods Affect Program Success

- Much learned between Rounds I and II
- In Round II—
 - Application process used more constructively
 - Better materials and training available
 - Rules about participation, partnerships tightened
 - USDA field offices better staffed and trained
 - Web site used to provide rapid, comprehensive information

Conclusions

- Investing in community capacity pays off
- Ensuring widespread public participation makes a difference
- Money is not the principal factor in success
- Strategic planning process creates higher likelihood of successful implementation
- Leadership acceptance of empowerment principles essential
- Empowerment program requires special administrative support methods