Community and economic crisis

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In recent days, the US Federal Reserve Chairman Ben Bernanke and this year’s Nobel Prize winner in economics Paul Krugman expressed support for a fiscal stimulus package in the face of the economic crisis. The US government’s deliberate use of the fiscal tool to jump-start economic activity and growth and reverse decline is the legacy of the new deal and President Franklin Roosevelt during the depression, and is a key part of the Keynesian paradigm-shift in modern economics.

To help get the country out of the current economic morass, Senator Barack Obama supports strategic public infrastructural investment and using a ‘scalpel’ on the federal budget for its precision in spending reduction. On the other hand, Senator John McCain stated his desire for an across the board spending freeze - which is to apply a ‘hatchet’ to the budget and implies that all forms of government spending is a culprit in continued economic downturn.

The question is, then: What kinds of programmes, through increased federal funding, can result in expeditiously implemented public projects that generate dispersed benefits, increase employment, and push back against the alarming economic problems and fears becoming reality? An answer is: Programmes that incorporate community organising and development because they catalyse sustained economic recovery. This is when local people who live in proximity to each other create and benefit from development initiatives that they also together conceive.

Projects community groups pursue when given
the opportunity reflect their varied interests, their local situation, and most pressing needs. It may be establishing an irrigation canal, road, school, clinic, community centre, or cooperative. It can be, for example, a small business, a training centre, public health initiative, planting trees, and youth and women’s programmes. It could involve manufacturing, agriculture, improving the environment, and innovative combinations of all of the above.

The public investment in locally-driven projects directly and most immediately impacts local populations and their organisations. Jobs are created and income is generated at the local level as projects are implemented, which involves labour, materials, and action. Local control, ownership, and benefits encourage the ongoing functioning of community projects.

Development management and other capacity areas of local people, government, and civil society are invested in with the idea that local groups work together and carry forward development. Decision-making skills of individuals, groups, and institutions are improved through collaborative experiences, and risk is inherently shared. The conditions for an increasingly diversified and adapting economy are put in place.

How can the federal government’s fiscal stimulus achieve locally-determined and managed infrastructure and human development? First, consider that public infrastructure projects of this kind are determined during local participatory planning meetings, which local ‘facilitators’ help organise. AmeriCorps and other community volunteers, for example, are throughout the country and can be great facilitators of community dialogue and assessments of their opportunities. University-community partnerships have university students working with communities, finding out their needs, and helping to implement projects to address them. Local governments can identify viable development opportunities in their area for long-term, multi-sectoral growth. A well-reformed White House faith-based initiative can also potentially be a greater catalyst for community-based public-good projects.

In this approach to federal government’s
fiscal-induced stimulus, two main areas need to be supported: 1) training university students, volunteers, and local citizens, including the retired, in community-wide planning approaches and organizing for development; and 2) implementing projects that local people and groups decide are most important to them and involve partnerships. Economic stimulus in the form of community investments creates the short and long-term outcomes needed to help get people and the nation out of economic decline (with an immediate injection of money and new productive work) and onto a path of transformational bottom-up growth. It also seems to be a warranted approach and pay back to the people considering the stunning national cost of the bank bailouts.

Public infrastructure at the community level also gets people and families more heavily involved and contribute towards economic recovery. When the stimulus is directly on their behalf and targets communities’ self-described priorities for development, it elicits people’s energy, ideas, and dedication – and helps the stimulus to succeed.

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