

Solutions that Work: Fighting Poverty in Winnipeg
Edited by Jim Silver
Canadian Centre for Policy Alternatives — Manitoba
& Fernwood Press, 1999
120 pp., \$13.95

>> >> >> << << <<

Eric Shragge

I was asked to prepare a review article on this book as I was beginning a new job as director of a new graduate diploma in Community Economic Development (CED). This book, at least from its title, held promise to contribute to an important debate. CED practice is controversial because it promises gains that can be made but also because of its potential to draw community organizations into dead-ends. It can play a role in alleviating poverty through the creation of businesses and jobs or providing programs that would help those excluded from the labour market gain access to training and subsequently work. Further, the development of CED initiatives can provide an opportunity for citizens to participate in decision-making processes that may influence the type of economic and social development taking place in their communities. In other words, CED can act as a vehicle for collective action. However, despite the hopes for CED practice, it is unrealistic to believe that this type of local work, by itself, can have an impact on poverty without government social and economic policies that are designed to at least provide a floor for all citizens. In addition, the state

must be an active participant in legislating high standards for working conditions and adequate salaries. This edited book is timely because it explores these themes focusing on Winnipeg, particularly the poverty in its inner-city.

Three themes are explored in this collection. The first is a discussion of poverty that provides the context for the chapters that follow. Jim Silver provides an excellent description and analysis of poverty in Canada. He observes that even with the resumption of economic growth in the mid-1990s and the related decline in unemployment, poverty did not decline as it is expected to do in periods of growth. He argues that changes in the pattern of employment constitute a major contributing factor to the persistent and high levels of poverty. These include part-time jobs, self-employment and the growth of low wage work in general. These changes are linked to the "flexible labour force" required under the new globalized capitalism. These conditions have been worsened by a reduction in social spending coupled with a restructured of social programs designed to "free-up" the labour market. There is nothing particularly new about these argu-

Eric Shragge, School of Community and Public Affairs, and Graduate Diploma in Community Economic Development, Concordia University, Montreal.

ments but they are succinctly stated and form a necessary framework for the chapters that follow.

The second chapter examines the socio-economic circumstances of people living in Winnipeg's inner city. It argues that the levels of poverty there are at a crisis level with half of all inner city households and 4/5 of the native population living below the poverty line, thus, creating a situation approaching Third World living conditions. These chapters point out the incredibly difficult conditions faced by the residents of the inner city in Winnipeg. These are not the result of a small glitch in the system that can be put right through incremental amelioration of welfare state programs. They are tied to much wider economic, political and social processes.

The next two chapters cover aspects of social and economic policy. Shauna MacKinnon develops a critique of workfare in the third chapter, and Errol Black and Lisa Shaw make a convincing case for a strong minimum wage policy in chapter 4. Both chapters are well written and clearly argued. Workfare is viewed as part of a wider attack on poor people. This attack is documented through a list of social policy changes from 1993 to 1999. Finally, the impact of the workfare program is discussed. MacKinnon argues that it created a "revolving door phenomenon with no permanent gains in full-time employment" (78). The Manitoba program was terminated when the N.D.P. came into power. The chapter concludes with policy recommendations including job creation, increased spending on day care and an increase in social assistance rates. The chapter on the minimum wage documents its relative decline under the provincial Conservative government after 1988, and then reviews the arguments for and against a high minimum wage, concluding that an increase would benefit both workers with low incomes and the economy as a whole.

Both of these chapters provide strong support for their arguments and are convincing. However, I found the focus on these two aspects of social policy too narrow and tied the idea of wage labour as the key element required in social and economic policy to reduce poverty. It's ironic that both the traditional left and the right view the solution to poverty as increasing participation in the labour market. In recent years, there has been a debate about the impact of changes in the nature of work brought about by the combination of technological change and globalization. These arguments imply that there

are limits to the growth in the number of jobs. In addition, the transformation of the economy that we have witnessed in recent years, has polarized the labour market between those jobs in the new high tech that pay well and those that are unstable, part-time and low-paying that perpetuate borderline poverty. Thus, even raising the minimum wage will have little impact on this sector. The situation in the United States and its duplication in Canada — simultaneous high levels of employment and poverty — require a rethinking of what approaches to social policy can have an impact on poverty.

Two recent books challenge traditional thinking on social and economic policy and the relationship of these policies to waged work. These types of ideas would have broadened the thinking in this volume. Anders Hayden's book¹ on work time reduction and Sally Lerner et al.'s² on basic income provides new directions for the policy. I will not enter into a long discussion of these excellent works. Both challenge the assumptions that we should be working more and expanding or marginally improving working conditions can come to grips with the basic changes we are facing. Hayden argues for a reduction in work time as a way to deal with the ecological crisis and the problems associated with changes in the labour market. As a consequence, more "good jobs" would be available to be shared if both over-time and the hours worked per week were reduced. This is particularly important because many in "good jobs" are working longer hours. In addition, free time would allow greater opportunities for community participation and other activities. As Hayden points out, there is a long tradition in the labour movement of demanding fewer hours of work.

Sally Lerner et al. argue for the provision of a basic income at least partially to free us from wage labour. Further, basic income policies, depending on their levels of provision, can be an anti-poverty strategy and allow the creation of alternative forms of employment that can strengthen the community sector. In addition, the types of employment discussed below created in the community sector, tend to pay poverty level wages and are highly unstable, and if this sector is to develop then new policies such as basic income are required that provide resources make these jobs viable in the long-term. Neither of these alternatives directly contradict the discussions in the book — the critique of workfare nor advocating for a higher minimum wage but

they have a broader historical sweep that attempts to link social policy discussions to the changes in technology. The debate is really about what is viable in the short and longer term. From this point of view, these positions should not be separated. A stronger community sector—one of the goals of this book—requires a viable foundation that supports people enough to create the opportunities for participation. In order to create those conditions, we should advocate for social policies that go beyond the limits of simply earning more money in jobs that seem to condemn people to poverty. The debate on alternatives has been opened and these discussions would have strengthened the book and contributed to a wider social and economic vision.

The third theme in this book is the role of projects in local communities as a strategy for the struggle against poverty. For me it is these three chapters that make the most original contribution. Three types of initiatives are described. The first is the practice of Aboriginal and Métis groups in the inner city in Winnipeg. A project of the teachers and parents organized by a local school to affect social change through innovative projects and local leadership is described in another chapter, and finally, the book concludes with an overview and analysis of a variety of inner city approaches.

John Loxley's chapter on Aboriginal economic development in Winnipeg presents a stimulating overview of the variety of economic initiatives undertaken in the inner city. These diverse activities begin with creating an economic base but their goals are wider and include combatting the social problems and economic exclusion faced by native and Métis peoples. The Aboriginal Council argues for the creation of "self-determining institutions" in a context in which there is no land base. The principles of CED operate to shape the practices. These include the building of a strong economy through the use of local employment, buying policies and reinvestment, that is the recognition of "the potential of the inner city market to sustain economic livelihoods" (134). Training for and creating long-term employment is central. Part of this comprehensive strategy is using democratic decision-making and cooperative processes to shape economic development. Examples include a Métis capital and investment fund that has been used to support the creation of a construction company and a warehouse, new

employment and training programs for the aboriginal community, and the creation of the Aboriginal Business Development Centre in a building owned by that community. The Thunder Bird House was another centre created as a commercial complex and business incubator and to promote aboriginal culture. Perhaps the most comprehensive program was the Winnipeg Core Area Initiative. This project, jointly funded by three levels of government, provided a range of programs and services such as job training, housing and a range of other services. However like many government programs, funding was withdrawn and then replaced by a city wide program for Aboriginal projects. The chapter points out the problems and limits associated with the short-term view and lack of accountability of government programs as a way to combat inner city problems. The chapter elaborates the complex interaction of local initiative and control versus governments' funding and decision-making in local programs.

The final chapters of the book continue the discussion of local action. Heather Hunter describes the role of a local school's contribution to CED and leadership building. Jim Silver then pulls together the discussion on local action and development. He argues that neither the market-based approach advocated by the former Filmon Conservative government nor the "top-down" public sector programs have been effective remedies for poverty. For the former, the trickle-down assumptions were predicated on economic growth with a low, minimum wage, state cutbacks, poor-bashing and a rediscovery of charity. These factors could only make poverty worse. The critique of the latter is based on the way it turns recipients of service into passive clients rather than active citizens. Further, the programs offered were too limited to have their desired impact. He argues for a revitalization strategy through indigenous organizations along with a strong supportive role from government to promote job creation and provide generous public funding for the process of local development. These ideas are tested in interviews with leaders in 25 local organizations and generally supported. This chapter presents the core argument in the book. Fighting poverty requires a combination of strong local leadership and organizations coupled with accountable state support.

General Comments

I found the most interesting part of the book to be the discussion of the community initiatives. Like much of the literature on community development, it is assumed that these new practices can contribute to the reduction of poverty. To the credit of this collection, however, an active government that supports local work is promoted. It is here that the discussion becomes clouded. What is the appropriate role for government and how can a community get the various departments that support their work to act accountably? This is not an easy question but it holds the key to understanding the role and potential contribution of community organizations toward social change. A historical perspective on community organizing is useful here. I would argue that the community organizing attempts beginning in the 1960s were based on an assumption that local work was part of a wider strategy of social change. Organizing locally was a means of bringing people together who could not only make changes in their own communities but who could participate in wider alliances and mobilizations to challenge established power in the society. In other words, this organizing was directed outside of the community, with a local power base. During that period, for example, in many low-income neighbourhoods welfare recipients organized welfare rights groups, as part of wider mobilizations and campaigns. Similarly woman organized shelters and rape crisis centres but built alliances to fight for the legitimacy of these new services and for wider social and political rights. In both instances local work was linked to a broader political-social movement. In addition, local organizing was stimulated and supported by the wider social movements in that period.

Within the last three decades, there has been a change in the community sector. I have recently argued with Bob Fisher³ that the dominant perspective is shaped by what we describe as community development. The underlying assumptions in this perspective is that community work aims at modifying internal structures and processes in the community and thus contributing to the improvement of living condition. It is an inward focused strategy and ignores the wider questions of policy and power. The positive outcomes are innovative services and projects and new forms of local collaboration and partnership. These projects can also lead to and sup-

port democracy opportunities defined in terms of greater control of local processes. New leadership can come forward as groups previously excluded from local processes can gain a voice. This is potential of the projects described in the book, and the authors privilege this aspect of the work. The negative aspect of the approach is that it is based on the assumption that service and economic development can replace active political engagement and advocacy. It is almost inevitable that groups that successfully provide service or support economic development will not be able to act as a political voice for larger concerns. There are many reasons for this, such as the pressures of professionalization, slowly developing bureaucratic structures, and pressures from fund providers, for example. The poverty described in the book is at a level that cannot be ameliorated by community programs. A loud political voice is needed in order to promote the local interests. It is rare in community development practices for that voice to emerge except to protect their organizational interests.

Various authors raise the complex issue of the relationship between community and state.⁴ It is difficult to come to a resolution of this problem, but I think the book did not go far enough along that path. It is argued that there has to be a strong role for the state in promoting and facilitating a local development strategy. However, what is to prevent the state from shaping the process as part of its own agenda, or from withdrawing support when something new comes up. The example of the federal government's withdrawing funds from the Winnipeg Core Area Initiative is an example discussed in the book. In other words, where is the political base to protect and to promote community development and push for policies that can have a positive impact on poverty?

Community organizing practice has lost its interest in mobilization of people as its source of legitimacy and power. Unless there is a capacity to mobilize and organize a strong local citizens' voice, there is very little in the way of power that can influence and shape the relationship between the local community and outside authorities. Further, if as the book implies we need a combination of progressive social policies and local action, then broad-based alliances are a necessary component for this to happen. I believe that we have to revisit the histories of community organizing and relearn the lessons of previous periods, particularly we should draw on

the legacies of people mobilizing together to demand social change. There is a role for self-help and development strategies but without a strong political voice it is condemned to managing the limits of the local. Poverty will not be challenged without an active government that is committed to policies of redistribution of income and wealth. In the current context this seems to be impossible and it will become inevitable if community organizations withdraw and only perform local work and do not at the same time, promote at least a debate about the necessity of broader political and social struggles for social and economic justice.

NOTES

1. Anders Hayden, *Sharing the Work, Sparing the Planet: Work Time, Consumption, and Ecology* (Toronto: Between the Lines, 1999).
2. S. Lerner, C.M.A. Clark, and W.R. Needham, *Basic Income: Economic Security for All Canadians* (Toronto: Between the Lines, 1999).
3. Robert Fisher and Eric Shragge "Challenging Community Organizing: Facing the 21st Century." *Journal of Community Practice* (forthcoming 2000).
4. See for example Roxana Ng, *The Politics of Community Services: Immigrant Women, Class and State*, 2nd Ed. (Toronto: Garamond, 1988); R. Ng, G. Walker, and J. Muller (Eds.), *Community Organization and the Canadian State* (Garamond: Toronto, 1990); and E. Shragge and J-M. Fontan "Workfare and Community economic development in Montréal: Community Work in the late twentieth century." In P. Hamel, H. Lustiger-Thaler, and M. Mayer (Eds.), *Urban Movements in a Globalizing World* (London: Routledge (forthcoming).