

Empowerment: Community Economic Development from the Inside Out

Patricia A. Wilson

1. Introduction

Community economic development has achieved some enviable successes in both the US and Latin America. Community development corporations (CDCs) in the US are well networked among themselves and nurtured by a web of financial intermediaries and technical assistance providers that channel resources and professional expertise to low-income neighbourhoods and communities across the country (see Wilson, 1995). In Latin America, most countries and many cities can point to their showcase low-income neighbourhoods where internationally funded non-governmental organisations (NGOs) have concentrated resources in creative programmes for community economic development, where one can find local grassroots business incubators for hatching and supporting sectorally integrated micro-enterprises that share information, equipment, child-care and health services, and are governed through popular participation.

Yet for all the growing sophistication and success stories, a sense of dissatisfaction has developed, perhaps most intensely among the 'successful' (King and George, 1987). In the US the feeling of malaise that comes with success in community economic development is one of selling out—to consumer society, to hierarchy and professionalisation, and to the non-profit funders themselves

(Halpern, 1995). In Latin America, the malaise that comes with success is based on the awareness of *asistencialismo*, the realisation that rather than having empowered the low-income residents, the NGOs have made them dependent on outside assistance, even when the assistance itself is focused on providing the rod and not the fish (Fundación Carvajal, 1995).

Out of this dissatisfaction, new efforts have evolved in both US and Latin American low-income communities that point in the same direction: community economic development, if it is truly to empower people, must build community from the inside out—i.e. from the individual's realisation of self-efficacy and interconnectedness with the larger community. Practitioners are discovering the pivotal role of the individual as subject—not object—of community economic development and social change.

The urban economic development literature often leaves the individual to the domain of conservative 'rational choice' theorists (Sharp and Bath, 1993). Since conservative interest in the individual has emphasised the need for poor individuals to adopt the hegemonic values of the market economy, liberals have dismissed the interest as naive in the face of the structural and institutional impediments to redistributing power, wealth and income (Zippay, 1995). While conservatives

Patricia A. Wilson is in the School of Architecture, The University of Texas at Austin, Community and Regional Planning, Sutton Hall, Austin, Texas 78712-1160, USA; e-mail: pwilson@mail.utexas.edu. The author would like to acknowledge financial support from the Hogg Foundation, Mellon Foundation, and the US Department of Education (HEA) for the field research reported in Section 9 of this article.

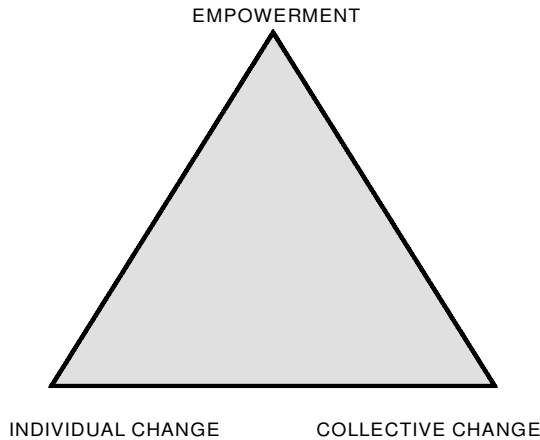


Figure 1.

have focused on the individual, liberals have emphasised collective action.

A palpable shift in the community economic development literature acknowledges the inadequacy of the polarised views. As scholarly research in urban and regional economic development embraces locality studies (Wilson, 1995), the resulting patchwork quilt of stories about community-based development reveals what many grand theorists and positivists had missed: the importance of individual change as the building-block to community and societal change.¹ Rather than imposing a choice between individual and community (or collectivity), the new literature is synthesising the highest values from both (Daly and Cobb, 1994; Lappe and DuBois, 1994; McLaughlin and Davidson, 1994). In this context, focusing attention on the individual is very different from reinforcing individualism. Rather, individual change becomes a bridge to community solidarity and societal change.

The community economic development literature refers to this synthesis of individual and collective change as *empowerment*, the *sine qua non* of community economic development (see Figure 1). Embraced by both liberals and conservatives and transcending either label, empowerment is community economic development from the inside out. The material aspects of community economic

development—jobs, businesses, investment, income, productivity—comprise the visible tip of a very deep iceberg composed of individual change and community building (see Figure 2). Just as the externals of community economic development are empty without the underlying individual and community empowerment, community mobilisation without the underlying individual transformation is empty (Rahnema, 1993a; Pontual, 1994). The personal and the political—just as the intangible and the material—go hand-in-hand (McLaughlin and Davidson, 1994; Henry-Wilson, 1990).

The first goal of this article is to show the importance of individual empowerment—i.e. inner transformation—in collective action for community economic development. The second goal is to lend legitimacy to two major propositions in the empowerment approach that fly in the face of mainstream assumptions about economic development: the propositions of abundance and connectedness over the myths of scarcity and separation. The empowerment approach to community economic development builds on the assumptions of abundance and connectedness. The article also discusses an emerging conceptual framework from systems theory and quantum physics which could guide the theoretical development of the empowerment approach. The article points out

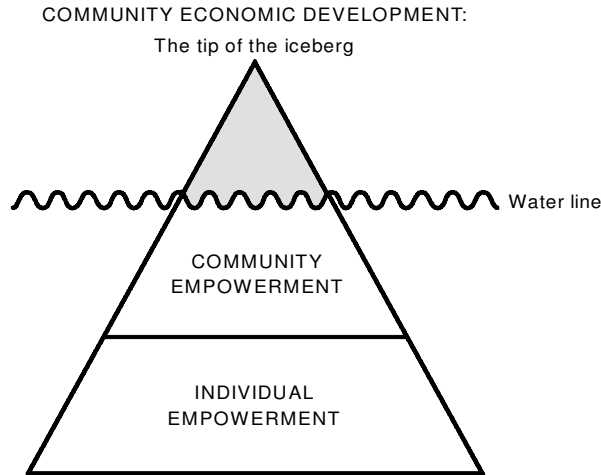


Figure 2.

the relevance of social learning theory to empowerment practice and describes the actual methodology used in a leading-edge case from Cali, Colombia. The article concludes with implications for future empowerment practice and research.

2. The Rise of the Third Sector: Civil Society and the Vernacular

The embrace of empowerment across the political spectrum coincides with the decline in faith in formal hierarchical institutions, whether governmental or corporate, to address the needs of the poor and the middle class.² The corporate economy has proved to be incapable of providing full employment with decent paying jobs (Bluestone and Harrison, 1988). Income polarisation, working poverty and middle-class displacement have been increasing (Harrison, 1994; Goldsmith and Blakely, 1992). In both the US and Latin America, the downsizing of the central (federal) state and the dismantling of the populist welfare (entitlement) state puts more emphasis on small-scale decentralised approaches.

As formal economic and political structures respond less and less to low-income

and middle-class needs, civil society organises itself to a greater degree, to the point where the so-called third sector is recognised in the literature as a major—albeit diffuse—player (Bruyn and Meehan, 1987; Friedmann, 1988; Fisher and Kling, 1993; Fisher, 1994). New solidarity groupings with multiple bases—regional, linguistic, religious, ethnic, gender and life-style—are a major component of the third sector. The rise in civil society's involvement in local economic development through CDCs in the US and NGOs in Latin America is part of this trend as well (Wilson, 1995; Craig and Mayo, 1995; Ritchey-Vance, 1992; Medoff and Sklar, 1994; Halpern, 1995).

3. Human Development and the Third Sector

Growing out of the Alternative Development dialogue of the 1970s (Friedmann, 1992; Burkey, 1993; Esteva, 1993), the human development discourse began to relate the personal to the societal and the intangible to the material as it highlighted the crucial role of the third sector in social change. The Swedish Dag Hammarskjöld Foundation

pamphlet published in 1975, *What Now? Another Development*, advocated a humanist model of alternative development—not just basic material needs of food, water and shelter, but also the personal needs for expression, creativity, conviviality and self-determination (Friedmann, 1992, p. 7; see also Max-Neef, 1986).

The vehicle for this process of humanisation would not be hegemonic institutions like the state, the market, political parties or unions, but rather the ‘third system’ of grass-roots popular associations and associated NGOs, or what the post-development literature calls the vernacular (Friedmann, 1992, p. 3; Sachs, 1993). Life space—i.e. the primary community neighbourhood or village—is the important space for human development:

It is in the village, the neighbourhood, ... the parish, the sports club, the association—whatever its purpose—that personal and societal development first and best interact. (IFDA, 1980, p. 12; cited in Friedmann, 1992, p. 4)

4. Overcoming the Myth of Scarcity: Power as a Positive-sum Game

Adopting the humanistic view of empowerment as self-determination, Korten (1987) contrasts two dimensions of power: generative and distributive. The distributive dimension most closely parallels the zero-sum game—i.e. the concept of a fixed pie; that one must compete against others for a larger share of a limited amount of power or resources. While mobilising to gain or to enhance one’s share of the pie at the expense of others is a legitimate form of empowerment, according to Korten, he sees it as a stage on the way to a positive-sum view of power. Others critique the zero-sum view as a disempowering notion, since it creates a self-image of powerlessness and puts the locus of control outside oneself: my power and my well-being depend on you (Abdullah, 1995; Lappe and DuBois, 1994). The zero-sum concept of power evokes an us–them world view, where ‘other’ is demonised, fear is

generated, trust is minimised, and the community’s energy is mobilised in adversarial organising (Abdullah, 1995; McLaughlin and Davidson, 1994).

A generative, or positive-sum, view of power assumes that everyone has power, that reframing is necessary to recognise one’s own power and resources (both individual and collective). Generative empowerment creates the capacity for effective individual and community self-management (Korten, 1987, p. 13). It makes people subjects who act on their environment, not objects acted upon by the environment. The ultimate goal of individual and group empowerment, in the positive-sum view, is to bring everyone’s power to the table for collaborative action for the common good (Abdullah, 1995; Lappe and DuBois, 1994; Zohar and Marshall, 1994).

Because generative power is not at the expense of others, says Korten, it does not create resistance by others and is therefore more efficient than confrontational power (Korten, 1987). This view is highly consistent with that of many traditional societies, which follow nature’s example of economising energy by going harmoniously with the natural flow and avoiding stress. In the case of threats, for example, Rahnama (1993b) points out that many traditional societies respond in the manner of *tai chi*—using the energy of the threat itself, as in surfing over a wave, rather than frontally trying to arrest the wave. Homeopathic medicine is an example of ‘fighting’ disease by harnessing the body’s natural self-healing powers with minimal intervention. Defining power in a non-confrontational way promotes trust and cooperation, and avoids the disharmony and inefficiency of opposition and violence (Rahnama, 1993b, p. 170; Das and Gorman, 1990).

5. Overcoming the Myth of Scarcity: Abundant Resources, Limited Needs

The hegemonic belief in the scarcity of resources and insatiability of needs creates a view of poverty as lack. Three currents in the

development literature point to a redefinition of resources that permits an assumption of abundance. The new literature on social capital (Putnam, 1993; Fukuyama, 1995) identifies certain 'civic capacities' of a community that can directly enhance local economic development. The most important ones are the community's collective interpersonal or relational skills such as trust, cooperation and consensus-building. Since the production or renewal of these assets is not limited by material factors, the door is opened for the principle of abundance.

According to both post-development (Sachs, 1993; Esteva, 1993; Rahnema, 1993b; Gronemeyer, 1993; Latouche, 1993) and humanist writers (see especially Max-Neef), the concept of resources must be re-framed outside the values of the market economy. Communities can consider their own creative wisdom, skills and culture as resources—e.g. social creativity, trust, tolerance, participation, cooperation, mutual aid, self-help (Rahnema, 1993b; see also Esteva, 1987). These non-material resources produce social energy which can be transformed into cultural, political or material wealth (Hirschman, 1984). Max-Neef, echoing the world's major spiritual traditions, points out that needs themselves are a source of energy and creativity that can be harnessed productively (Max-Neef, 1986; Nicoll, 1980).

Both the humanist and post-development writers offer an alternative to the mainstream belief in unlimited needs. The hegemonic concept of scarcity breeds pauperisation—the labelling of poverty as lack—while the vernacular is more likely to hold a non-judgmental view of convivial poverty—

the ideal of a livelihood based on the age-old moral principles of simplicity, frugality, sufficiency and respect and compassion for every human being and all forms of life. (Rahnema, 1993b, p. 171)

Fromm, like early Marx and Gandhi, criticised the hegemonic emphasis on development as human having rather than human being (Fromm, 1976). Recognising the non-material needs for human fulfilment—affec-

tion, understanding, belonging, creativity, leisure, freedom and transcendence—keeps material needs in perspective. The hegemonic culture elevates material goods from their proper role of satisfying subsistence needs to the improper role of satisfying non-material needs such as love and acceptance (Max-Neef, 1986; Korten, 1995). Any change in this culture must start with individual transformation (Fromm, 1976, p. 143; Theobald, 1992).

6. Overcoming the Myth of Separation: Linking Individual Empowerment to Community and Societal Change

6.a Transpersonal Psychology

Transpersonal psychologists—e.g. Ken Wilbur, Michael Washburn, Stanislav Grof (see review in Capra, 1988)—point out that the inner transformation underlying individual empowerment is closely linked with a spirit of community, of connectedness to fellow-man. As I begin to know, accept and love myself, I begin to accept and love others, since I can see them in me and me in them. Thus, individual empowerment promotes solidarity, a self-definition based on one's membership in the larger community, not as an isolated individual. Ironically, the inner transformation that begins with self-esteem building quickly transcends an egoistic sense of self and links one's personality to a higher mind, or universal source. At this transpersonal level, there is an automatic feeling of connectedness with all life, and a sense of compassion for others, accompanied by a shift from a scarcity mentality—the fearful, grasping 'me first' mentality taught by our economic system—to a mentality of plenty, a trust that my needs are met. The view of the transpersonal psychologists on individual empowerment closely parallels the view of many of the world's ancient spiritual traditions.

Psychologist Roger C. Mills (1991) has developed an application of transpersonal psychology, called psychology of mind, for use in inner-city public-housing projects in

the US. It empowers residents by building self-esteem, undoing negative beliefs and conditioned feelings of insecurity, fear, anger, hopelessness and prejudice, and accessing one's innate feelings of well-being and capacity for common sense. The goal of empowerment is the self-realisation of each individual's own well-being and potential for changing themselves, their families and their community. The results from a Florida case show that as residents' feelings of self-worth increased, they began to see beyond the limitations of their personal backgrounds and circumstances to understand their children's needs, and the needs of the wider community. As their self-esteem increased, the recognition of their personal power increased as did respect, compassion and understanding for each. Becoming more assertive, they began to see avenues for change and to share ideas about helping each other and their community (Mills, 1991, p. 6).

6.b Transformational Politics

The emerging literature on transformational politics (see McLaughlin and Davidson, 1994) posits a close link between individual empowerment and societal change. McLaughlin and Davidson (1994), like Rifkin (1995) and Rahnema (1993a), see a symbiosis between personal and social change. "Because form follows thought, we have found that changes in consciousness are needed to create a truly new politics" (McLaughlin and Davidson, 1994, p. 69). Based on the idea that the political is personal and *vice versa*, transformational politics puts the responsibility for change on our individual daily choices of how we treat each other, ourselves, our institutions and our environment.

Empowerment based on inner transformation motivates people to improve not only their own lives but the lives of others (McLaughlin and Davidson, 1994, p. 124). Individual empowerment develops into political awareness and participation—a sense of activism based not on small self-interest, victim consciousness or blaming, but on a

larger sense of community and responsibility. With participation comes increased political skills (Lappe and DuBois, 1994).

One of the most important political skills for transformational politics is the adoption of a positive-sum view of power (see Section 4): politics of the whole. The key idea is to overcome polarising frameworks—e.g. liberal vs conservative, developers vs environmentalists, etc.—and strive to reframe debates to find a higher synthesis. McLaughlin and Davidson (1994, p. 72) cite the example set in President Clinton's campaign speech calling for "a third way between welfare-state economics and laissez-faire capitalism—transcending the old left-right divisions with a new synthesis". Overcoming adversarial positions, seeing the truth in all sides, building a higher synthesis, letting go of outcomes—at a deeper level, transformational politics means letting go of fear and separation, trusting process and feeling the interconnectedness with all life. Thus individual empowerment becomes an antidote to individualism.

The post-development literature (Nandy, 1993; Rifkin, 1995) sees an inevitable link between individual empowerment and institutional change, since institutions are our collective patterns of thinking, feeling and action (Zohar and Marshall, 1994, p. 215). As "a new ethos based on personal transformation, community participation and global responsibility" (Rifkin, 1995, p. 57) spreads, it will eventually bring about a redefinition of the scope and values of the state (Nandy, 1993, p. 272). Other writers have made the link between individual empowerment and institutional change within the government (e.g. Korten and Sly, 1989, Osborne and Gaebler, 1992) and in business (Harman and Hormann, 1990; Covey, 1989).

6.c A Spiritual Dimension

For many grassroots movements, empowerment involves a strong spiritual dimension (Rahnema, 1993a):

As a rule, the necessity for a spiritual

dimension, and for the revival of the sacred in one's everyday relationships with the world, seems to be rediscovered as a basic factor for the regeneration of people's space. Wherever this spiritual dimension has been present, it has, indeed, produced a staggering contagion of intelligence and creativity.... (Rahnema, 1993a, p. 127)

In India and Sri Lanka three grassroots movements aimed at overcoming poverty have emphasised the importance of the spiritual in linking inner transformation to community well-being: the Sarvodaya, the Manavodaya and the Swadhyaya (Rahnema, 1993b, p. 171). Swadhyaya, started in the 1950s, now has over three million adherents. Based on the Vedic belief that there is a God within each person that one must discover and know in order to be empowered, it has generated great material wealth with no outside assistance (Rahnema, 1991). Manavodaya, which means "human awakening" in Hindi, is another grassroots movement based on self-awakening, self-discipline, love and awareness of the unity of all life. Individual awakening leads to family, community and social awakening and well-being (Rahnema, 1993b, p. 174).

The Sarvodaya movement in Sri Lanka, also with three million members, echoes the belief that spiritual awakening will lead to economic self-reliance, resource conservation, appropriate consumption and spiritual realisation. The Sarvodayans advocate self-reliant development that is neither psychologically nor materially dependent on outside subsidies, either public or private. Societal change begins with change in local communities, which in turn begins with individual change. When Sarvodayans are invited to a village, they bring no blueprints for change, but rather good listening skills with which to empower the villagers. Avid meditators, the Sarvodayans advocate respect for all life, compassionate action, dispassionate joy and equanimity (McLaughlin and Davidson, 1994, p. 125).

Gandhian economics follows directly from

Hindu spiritual tradition. Gandhi's approach to local economic development rejects 'ego-economics'—the concept of the atomistic rational economic man calculating the benefits and costs of individual actions on the basis of self-interest. Like Martin Buber, he advocated replacing the I-it relationships of materialist society with I-thou relationships; in other words, treating others as subjects, not objects. There is no economics without values, Gandhi said, and the primary value is service to the community based on self-giving love. Love and social action are the paths to self-realisation (Diwan and Lutz, 1987).

Gandhi envisioned a decentralised, 'home-grown' economy in which self-interest would become community interest. I must not serve my distant neighbour at the expense of the nearest, he said. I will adapt my needs to that which is available locally (see bio-regional literature, e.g. Berry). I will help local producers become more efficient. If I hold property I hold it in trusteeship for the community, not for personal benefit. I must do bread labour every day—i.e. work for the reproduction of daily life, which teaches the natural cycles of growth and decay, humility and presence. For Gandhi, the goal of economic development is to satisfy human needs (material and non-material), not maximise consumption (Diwan and Lutz, 1987).

Liberation theology in Latin America produced an ecclesiastical movement of organising the poor into grassroots base communities, starting in Brazil during the military dictatorship of the late 1960s. It used the indigenous values of mutual aid and solidarity to build community self-reliance. Liberation theology sees the poor and marginalised as the new historical subject that will carry on the Christian project of community building in the world. It is their knowledge based on experience and reflection that is the source of the Holy—not vertical dictums from the Church hierarchy (O'Gorman, 1995).

In the US, the spiritual dimension to community-based economic development transcends religious affiliation. Certainly the churches have been prime movers of many

community-based economic development efforts in the US, from the lay street preachers of the 1930s in Chicago and the Alinsky-based coalitions of inner-city churches since the 1950s, to the current involvement of ghetto churches in public–private partnerships, self-esteem building and tough love (Halpern, 1995; McDougall, 1993). But spirituality in the US is interpreted in a broad humanistic sense as inner transformation and outer connectedness.

African American CDC organiser Mel King, with co-author Samantha George, expresses the need for the spiritual dimension as a path to individual empowerment:

We may succeed in creating community development corporations, community land trusts, community banks, and community housing, but ... a community rich in objects and poor in spirit cannot be seen as 'developed'.... Community development on the material level is necessary, but not sufficient without a complementary development of human consciousness.... Community development should provide empowerment on the multiple dimensions of material, rational, and spiritual life. (King and George, 1987, p. 219)

The spiritual dimension to community-based economic development is also seen in the desire for belonging to something larger than oneself: community building, along with a sense of interconnectedness and a desire for service. Robert Woodson, founder of the National Center for Neighborhood Enterprise, recalls that the most successful efforts at community economic development over his last 20 years have been those based not on material ends, but on a larger sense of meaning—i.e. on spirituality (McLaughlin and Davidson, 1994, p. 130). The spiritual dimension—like transpersonal psychology and transformational politics—provides not only a path for inner empowerment, but a sense of connection with, and responsibility to, the larger community and all of humanity.

7. Systems Theory and the New Physics: Towards Quantum Community

A mushrooming social science literature is applying systems theory and quantum physics as an epistemological and theoretical framework for analysing the relationship between individuals and the collective: Boulding (1985) on social systems, Argyris and Schon (1979) and Senge (1990) on organisational systems, Harman (1988) and Zohar and Marshall (1994) on social change, Becker (1991) and McLaughlin and Davidson (1994) on politics. Systems thinking and the new physics provide a way of seeing patterns, relationships and the whole picture, rather than narrow, separative snapshots of reality.

The old physics of Descartes and Newton viewed the world as made up of discrete objects whose attributes and behaviour are isolatable, knowable and predictable. The new physics, in contrast, adopts the view of reality as a dynamic web of interrelated self-organising networks, whose individual nodes take on meaning through their relationships with others, and whose overall patterns cannot be fully predicted. Moreover, these nodes or particles are not objects, but rather manifestations of energy patterns in space and time. Since nothing is separate, the observer has an impact on the observed.

A quantum view of society synthesises and transcends both individualistic views of the separate atomistic self and collectivist views wherein the individual is swallowed by the unity of the whole. Zohar and Davidson (1994) use the analogy of a free-form dance: the individual dancers create a self-developing system—i.e. a dance with 'emergent properties' that are unique properties of the whole and at the same time influence the constituent dancers. The individual's identity is both particle and wave, matter and energy, dancer and dance.

Besides offering a conceptual underpinning for the premise of interconnectedness over separation, quantum physics offers a rationale for the premise of abundance over scarcity. The quantum idea that matter (parti-

cles) and energy (waves) are manifestations of each other flies in the face of the economistic notion of fixed resources. The social energy of association can manifest in material resources through a positive-sum game. If human systems follow the quantum model, they are dynamic, self-developing, self-healing and self-organising systems that have the capacity for continuous learning and even self-transcendence. Empowerment, then, becomes the effort to stimulate the natural systemic energy for self-development.

Quantum theory has profound implications for the role of the planner and development professional. It undercuts the very rationale for large-scale top-down comprehensive planning by the technical expert, which derives its legitimacy from the mechanistic, linear, instrumentalist rationality of the old physics (Comptean synoptic rationality) and the economistic view of planning as the allocation of scarce resources. The new physics posits a far different role. We cannot be a master planner of a self-organising system. We can only be an attendant at the process of realising a system's natural potential for self-healing and self-development (J. D. Laing; cited in Capra, 1986).

8. Pedagogy for Practice: Social Learning

Drawing on systems theory, social learning is an area of planning theory with great relevance for empowerment practice at both an individual and a community level (Habermas, 1984; Friedmann, 1987; Schon, 1983; Argyris 1993; Morrow and Torres, 1995; Forester, 1993; Innes, 1995; Healey, 1992). Providing an alternative to the top-down practice of technocratic planning, the social learning authors focus on dialogue as a means to individual and group empowerment (Forester, 1989). Habermas applies his model of communicative action to the level of "lifeworld" (analogous to vernacular life space, or third sector). Communication becomes a means to reach understanding among the individuals in a group, rather than an instrument for transmitting or manipulat-

ing information (Habermas, 1984). Communicative action can lead to emancipatory knowledge which frees individuals and groups from the hegemonic values embedded in the language (Innes, 1995; see also Healey, 1992). Dialogue is the route to self-reflection, self-knowledge and liberation from disempowering beliefs. It is also the route to mutual learning, acceptance of diversity, trust and understanding (Habermas, 1984; Gronemeyer, 1993, p. 66).

Political activism and social mobilisation without prior individual and community empowerment through social learning can lead to hollow or short-lived victories, according to post-development author Rahnema (1993a, p. 126).

No democratic or participatory panacea can give an ailing society of dead or conditioned persons what they individually do not have.... No form of social interaction or participation can ever be meaningful and liberating, unless the participating individuals act as free and un-biased human beings.

The recovery of one's inner freedom, according to Rahnema, involves learning to listen and to share, free from any fear or predefined conclusion, belief or judgement. Inner freedom

enables one not only to acquire a tremendous life power for the flowering of one's own life, but also to contribute, in a meaningful way, to everyone else's struggle for a better life. As such, inner freedom gives life to outer freedom, and makes it both possible and meaningful. (p. 128)

Without the inner freedom, participation "soon turns into a parody, and an invitation to manipulative designs" (p. 128).

An analysis of popular participation in municipal government in Brazil shows that authoritarianism and paternalism are two disempowering beliefs that are very deeply rooted in the people (Pontual, 1994). Simply by involving people in new participatory mechanisms does not get at the root of the problem which lies in the individual (Pon-

tual, 1994). Such fundamental change requires an “intentional educational action” introducing change in values and attitudes for a new democratic culture—i.e. a pedagogy for popular participation and empowerment (Pontual, 1994, p. 64).

One such pedagogy used in Latin America is *concientización*. Developed by Paulo Freire (1970), the method is built on the assumption that education is a mutual process: no one person has the answer; each person has knowledge based on his or her own experience and reflection; everyone needs to be both learner and teacher; knowledge is not deposited by teacher and consumed by learner; all learn together through dialogue about experience and reflection. To rename the world through dialogue is a revolutionary act of creation. It must be done only through love—not a desire to impose one’s own truth. Because love is an act of courage, of freedom, not of fear or of sentimentality, love is commitment to other people ... “If I do not love the world—if I do not love life—if I do not love men {including the oppressors}—I cannot enter into dialogue” (Freire, 1970, p. 78). Dialogue must be done not only with love, but with humility, faith in the innate wisdom and power of others, mutual trust, hopefulness, patience and willingness to take risk through action (Freire, 1970, pp. 81–82; Horton and Freire, 1990).

9. An Example from Cali, Colombia

One of the best examples of an empowerment approach to community economic development comes from the Fundación Carvajal, founded 30 years ago by the leading industrial family of Cali, Colombia. Despite international recognition for its participatory model of local economic development, the Fundación realised that if it were to pull out of its showcase efforts the ‘successes’ would collapse. Participatory community economic development cannot be sustained unless it rests on internally empowered individuals—i.e. individuals who can access their inner sources of power, without depending on transfers of external power,

whether financial, technical or political. Otherwise the efforts simply reinforce dependency, paternalism, *asistencialismo* and the *pedir* mentality of asking for solutions from the outside (Fundación Carvajal, 1995).

In 1993 the Fundación designed a new model for community economic development to break through the paternalism by empowering the individual first, through a process of group dialogue (Lundy, 1995). The methodology, called *Corpos* (named after the community-based development corporations that use it), was developed by Nancy Dominguez, a Fundación staff member. Dominguez herself grew up in a low-income neighbourhood, underwent her own process of empowerment, and helped her family and neighbourhood to develop micro-enterprises. Before working with a community that has decided to undertake the *Corpos* training process, she spends time in the neighbourhood observing and listening to the community members to see what themes are of common interest and how they express them. Using these themes and language, she facilitates small-group dialogues among community participants.³

The first phase of dialogues deals with values, self-esteem and motivation. Through critical (self)reflection the participants become aware of the extent to which paternalism and individualism underlie their beliefs. The paternalism can show up in community leaders who feel they are protectors and/or sacrificers, as well as among those who feel like dependent receivers. When the will to break paternalistic beliefs and become the architects of their own lives is established, the second phase begins.

The second phase of dialogues reinforces the participants’ skills for effective self-management and leadership—starting with how to be leader of your own life. Developing a vision for oneself, one’s family and one’s community is the first step. This discussion may uncover disempowering beliefs and values such as limited time-horizons (*inmediatismo*), getting by (*cumplir*), making do (*adecuarse*), setting unbelievable goals, buying Madison Avenue’s visions. In discussing

their own visions, participants clarify their concepts of quality of life. What is high quality? What does high quality of life—personal, family and community—look like (with images, sounds, smells and feelings, as if totally present in the future moment)? When does a person have high quality of life—i.e. what are the elements that must be present?

After verbalising their visions, the participants do their own strategic planning of how to get there. What elements must be present to realise the vision? What elements could be present? Which of these elements would provide high quality with less time and cost? How do I get from here to there with greatest efficacy and efficiency? What is my target for today, tomorrow, next month, next year? What are the personal qualities that would best assist me: humour, patience, discipline, flexibility, commitment?

The participants also discuss the elements of a good leader: everyone needs to be a leader, not in the traditional sense that swings between sacrifice and personal advantage, but rather in the sense of leader as example—someone who pursues his/her own self-development in harmony with the community's development. One's well-being is part-and-parcel of the community's well-being. If a leader's self-development results in personal gain, it is not to be ashamed of.

Throughout the dialogues, the facilitator reinforces participatory community-building skills by asking the participants to reflect on the group process, when it goes awry and when it goes well. The group identifies the elements of good communication—e.g. connecting thought with words, deciphering messages, checking out interpretations, putting oneself in the shoes of the other to understand the values, viewpoints and emotions behind the other's messages. The facilitator reinforces community-building values among the participants: solidarity, responsibility, sense of interconnectedness, and cooperation. Participants describe their individual responsibilities to build community in the group: listen, understand, trust, respect, be honest, and resolve conflicts to the benefit of the whole group or community.

The training ends with a visioning and strategic planning exercise for the community. The goal of community economic development is the community's quality of life. What is quality of life for a community? Envision this community's future. See it, feel it, taste it. Dare to dream. Now, what is necessary to break that dream into realisable parts in a way that is self-sustaining, self-managed, self-sufficient and self-dependent? What do we do today?

10. Conclusions

Community economic development starts with its roots in the individual, interior person. Each human being is a subject with an interior life, a system of beliefs and attitudes, some of which interiorise external conditions of poverty. Community economic development must start with the interior person by touching the heart, changing values and beliefs, overcoming fear and a sense of separation. This does not imply 'working on' the individual but 'working with' the individual, calling on the person's higher values and (latent) sense of self-worth.

Only the individual can work on his or her interior self; but the facilitator can provide the environment and a 'conscious shock' (Nicoll, 1980) to want to begin. Rather than providing the answers to those presumed not to know, the facilitator orders their knowledge, bringing it out and enriching it. The facilitator accompanies them for a period of time and collaborates, but does not 'do' for them.

Participation in community economic development enhances individual empowerment. As individual empowerment dismantles the sense of personal isolation, the act of participation creates a feeling of belonging and interconnectedness, which in turn produces commitment and cooperation. At that moment, the raw energy for sustained community economic development is released—the greatest resource at a community's disposition.

But the ability to refine, harness and direct

the collective energy must be present. That is where the inner work pays off at the community level. Not only do empowered individuals have the skills to communicate effectively and create a shared vision, they have the ability and will to act. They can dismantle inner obstacles to achieving the vision—fear and separation, apathy and cynicism. They can reframe lack into opportunity. They can set up manageable targets, rewarding oneself and each other with positive feedback, correcting one's course continually, and maintaining patience, flexibility, hope, humour and commitment. Then the groundwork is laid for sustained community economic development.

The desire to work beyond the boundaries of the community emerges as the sense of connectedness expands and the sense of empowerment solidifies. Communities reach out to work with other communities in solidarity. They begin to work with public and private institutions—not as beggars, not as demonisers, but in a spirit of mutual respect. As one woman told me who had finished the *Corpos* training in Cali,

There are no longer strangers for me or people who hold power over me. We are all human and we are all powerful. I can walk into the Mayor's office and see him as a human being like me and we can speak as equals.

The humanist and post-development writers point to the local life spaces of civil society—the vernacular, the grassroots, especially the low-income and marginalised—as the major crucible for ultimately transforming societal values. If this is true, the community-based economic development movement will be located at the heart of this change. It can be a vehicle for replacing the mainstream myths of scarcity and separation with the belief in abundance and interconnectedness. It can be a vehicle for transcending the dualities between left and right, life space and economic space, individual and community, the personal and the political.

To humanise the discipline of community economic development, our research must

include the subjective, the intangible and the unquantifiable. It must delve into the mystery within the individual. It must tell the stories that connect the particle to the wave, the observer to the observed, the individual to the community. Then we will be able to tell the story of community economic development—from the inside out.

Notes

1. The community development literature, overlapping with social work and community psychology, has long recognised the role of individual empowerment in collective action (Moen, 1995; Boeren, 1992; Checkoway, 1993; Florin and Wandersman, 1990).
2. Even the legitimacy of large third-sector organisations (non-profit non-governmental organisations, or NGOs) is being questioned (Lemann, 1994; Halpern, 1995; Latouche, 1993; Porter, 1995).
3. The information on the *Corpos* methodology came from the author's personal interviews with Nancy Dominguez in July and August 1995, in Cali, Colombia.

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