Community Capacity Building

CREATING A BETTER FUTURE TOGETHER

Edited by Antonella Noya, Emma Clarence and Gary Craig



OECD

Local Economic and Employment Development (LEED)

Community Capacity Building

CREATING A BETTER FUTURE TOGETHER

Edited by
Antonella Noya, Emma Clarence and Gary Craig





ORGANISATION FOR ECONOMIC CO-OPERATION AND DEVELOPMENT

The OECD is a unique forum where the governments of 30 democracies work together to address the economic, social and environmental challenges of globalisation. The OECD is also at the forefront of efforts to understand and to help governments respond to new developments and concerns, such as corporate governance, the information economy and the challenges of an ageing population. The Organisation provides a setting where governments can compare policy experiences, seek answers to common problems, identify good practice and work to co-ordinate domestic and international policies.

The OECD member countries are: Australia, Austria, Belgium, Canada, the Czech Republic, Denmark, Finland, France, Germany, Greece, Hungary, Iceland, Ireland, Italy, Japan, Korea, Luxembourg, Mexico, the Netherlands, New Zealand, Norway, Poland, Portugal, the Slovak Republic, Spain, Sweden, Switzerland, Turkey, the United Kingdom and the United States. The Commission of the European Communities takes part in the work of the OECD.

OECD Publishing disseminates widely the results of the Organisation's statistics gathering and research on economic, social and environmental issues, as well as the conventions, guidelines and standards agreed by its members.

This work is published on the responsibility of the Secretary-General of the OECD. The opinions expressed and arguments employed herein do not necessarily reflect the official views of the Organisation or of the governments of its member countries.

ISBN 978-92-64-07329-6 (print)
ISBN 978-92-64-07330-2 (PDF)

Series: Local Economic and Employment Development (LEED)
ISSN 1990-1100 (print)
ISSN 1990-1097 (online)

Photo credits: Cover © Michael Blann/stone/Getty Images.

Corrigenda to OECD publications may be found on line at: *www.oecd.org/publishing/corrigenda*.

© OECD 2009

You can copy, download or print OECD content for your own use, and you can include excerpts from OECD publications, databases and multimedia products in your own documents, presentations, blogs, websites and teaching materials, provided that suitable acknowledgment of OECD as source and copyright owner is given. All requests for public or commercial use and translation rights should be submitted to *rights@oecd.org*. Requests for permission to photocopy portions of this material for public or commercial use shall be addressed directly to the Copyright Clearance Center (CCC) at *info@copyright.com* or the Centre français d'exploitation du droit de copie (CFC) at *contact@cfcopies.com*.

List of Contributors

Maria Adebowale is the Founder and Director of Capacity Global. Capacity Global is the only non-governmental organisation and social enterprise in the UK focusing specifically on environmental justice and equality. Maria is the co-founder of the UK Environmental Justice Network and also the main author of the England's Third Sector Climate Change Declaration. She has a Masters degree in Public International Law (human rights and environmental law) and has written a number of publications on environmental justice, diversity, social inclusion and regeneration. She is the Chair of Waterwise, a Commissioner for English Heritage, a Matron of the Women's Environment Network, a trustee of Allavida, former Commissioner for the UK Sustainable Development Commission. Maria is also on the *Independent on Sunday's* Top 100 Green List of the most influential environmentalists.

Lovleen Bhullar has received a BA LLB (Hons.) degree from the National Law School of India University, Bangalore, India and a Masters in Environmental Law from the School of Oriental and African Studies (SOAS), London. She is currently pursuing a M.Sc. in Environmental Policy and Regulation at the London School of Economics and Political Science (LSE). In London, she has interned with Capacity Global, Friends of the Earth Rights and Justice Centre and the Foundation for International Environmental Law and Development (FIELD). In India, she worked for three years as an associate in the litigation and arbitration team of a leading law firm. She is interested in environmental justice and governance issues.

Emma Clarence is a Policy Analyst with the OECD LEED Programme based in the OECD LEED Centre for Local Development in Trento, Italy. She joined the OECD in 2007 and works on social inclusion and the role of the social economy. Dr. Clarence co-edited the recent OECD publication *Social Economy: Building Inclusive Economies*. Prior to joining the OECD, Dr. Clarence had worked at a number of universities in the United Kingdom, including at the University of Aberdeen (Scotland) as a lecturer in politics. Accompanying her lecturing duties, Dr. Clarence conducted research across a range of policy areas, including: central/local government relations and partnership working at the local level in the United Kingdom; policy responses to migration to the United Kingdom and to Australia; and, on the policy process generally. Accompanying this, research was also undertaken into membership organisations, and their

contribution to building social capital. Dr. Clarence has published widely in these areas. In parallel to such research activities, Dr. Clarence was an invited member of the Local Government Association's Urban Commission Inquiry into Neighbourhoods and Neighbourhood Management and the Urban Commission Inquiry into Partnerships and Partnership Working. Emma Clarence holds a Doctoral degree in sociology, a Masters degree in innovation and economic development, and a Bachelor of Arts in politics and history.

Gary Craig is a Professor of Social Justice and Associate Director of the Wilberforce Institute for the Study of Slavery and Emancipation at the University of Hull. He is a fellow of the Royal Society and Arts and Academician of the UK Academy of Social Sciences. He worked for many years in community development before returning to academic life in 1988 after which he held posts at the Universities of Bradford, York, Lincoln and Hull. He was for eight years the President of the International Association for Community Development, with special UN consultative status, and for fourteen years the editor of the *Community Development Journal*. He has researched and written widely about social justice, community development, public policy, poverty and deprivation, the voluntary and community sectors, and race and ethnicity.

Antonella Noya is a Senior Policy Analyst with the OECD LEED Programme. She designs and implements the OECD activities on social inclusion at the local level and is the Manager of the OECD/LEED Forum on Social Innovations. She has developed new areas of work inside the OECD: the role of non-profit sector and social enterprises in local development; the role of culture in local development; asset-building for low-income people; social innovation; community capacity building; corporate social responsibility towards local communities; and, women entrepreneurship at local level. She has authored and edited several OECD publications. In particular, she is the co-author of the OECD publication, *Social Enterprises*, which was the first publication on this topic prepared by an international organisation. She is the editor of a number of OECD publications, including: *Culture and Local Development, Asset-building for Low-income People: A New Policy Debate,* and *The Changing Boundaries of Social Enterprises;* and is the co-editor of *Entrepreneurship as a Catalyst for Urban Regeneration, The Non-Profit Sector in a Changing Economy,* and *Social Economy: Building Inclusive Economies*.

Andy Westwood is President of the OECD Forum on Social Innovations and an adviser to the UK Government in the Department of Communities and Local Government. The UK Government has recently created a department dedicated to bringing together Science, Research and Innovation policy, further and higher education and adult skills. Andy was appointed as the special adviser to the Secretary of State in 2007. He has worked in education and employment policy for many years including as an adviser to the UK Treasury and the Leitch Review of Skills. Andy has also worked for a range of other organisations

including the Work Foundation and the Centre for Economic and Social Inclusion and has advised a number of major private sector employers including Tesco, Wal-Mart, McDonalds and Marks and Spencer. He has written widely on other subjects including urban regeneration, economic development, welfare to work and city policy. He is a visiting professor in local economic development at London's South Bank University and in business at the University of Buckingham.

Foreword

This book presents and analyses some of the most interesting and recent developments in the area of community capacity building in OECD member and non member countries.

It is the result of a project which originated in December 2005, in Prague, when the LEED Directing Committee raised the issue of how to better engage with local communities, to empower them through active participation in the definition of their local development strategies. Following a lively debate, a proposal of work was adopted by the LEED Directing Committee: this book stems from there.

Drawing on examples from around the world, this book analyses community capacity building in three areas: social policy, local economic development, and environment. Assessing community capacity building "in practice" enables the authors to demonstrate the value of empowering communities, to identify key lessons and to make specific recommendations.

The book presents different ways in which grassroots organisations and active citizens can work together to achieve common goals in local communities, thereby improving individual and collective quality of life, strengthening the sense of belonging, and developing a sense of commitment which has not only economic but also moral and ethical values.

The book was prepared under the direction of Antonella Noya, Senior Policy Analyst in the OECD/LEED Programme, Emma Clarence, Policy Analyst in the OECD LEED Trento Centre for Local Development, and Gary Craig, Professor, University of Hull, United Kingdom. It benefited from the support of the European Commission (Directorate General for Employment, Social Affairs and Equal Opportunities).

Thanks are due to Chiara Maule, Trainee at the OECD LEED Trento Centre for Local Development for her research work and to Helen Easton for her technical assistance.



Sergio Arzeni

Director, OECD Centre for Entrepreneurship, SMEs and Local Development

Table of Contents

Executive Summary 11

Chapter 1. **Putting Community Capacity Building in Context** 15
Introduction 16
Community capacity building and community development 16
Community capacity building and social policy 20
Local economic development and community capacity building . . . 23
Community capacity building and the environment 25
Major findings 27
Conclusion 33
Bibliography 35

Chapter 2. **Community Capacity Building and Social Policy: Health, Housing and Community Regeneration** 37
Introduction 38
Why is community capacity building relevant to social policy? 39
The role of government in community capacity building 40
The healthcare context: Major trends 43
Country case studies 52
Housing policy: A long history of community involvement 56
Examples of tenant participation 59
Community capacity building and community regeneration: A complex policy mix 65
Concluding comments 75
Notes 76
Bibliography 76

Chapter 3. **Community Capacity Building and the Local Economy: Private, Government and Non-profit Approaches** 87
Introduction 88
The role of social capital 90
Examples of the social economy 92
Human capital and time banking 96
Local Exchange Trading Schemes (LETS) 98
Credit unions 100
The local multiplier effect in deprived areas 101

Components of economic renewal 102
Economic development case studies. 105
What works and is there a recipe for communities and policy makers?. . 123
Bibliography 128

Chapter 4. **Community Capacity Building and the Environment: Sustainable Development and Environmental Justice** 131
Introduction 132
Community capacity building and the environment 135
Effective environmental community capacity building: Case studies . . 139
Exploring the determinants of successful environmental capacity building 157
Implications and policy recommendations 159
Bibliography 160

Glossary 163

List of Boxes

2.1. Health users taking control: Mental health work through different approaches 49
2.2. Health users taking control: Community health issues tackled in different ways 50
2.3. Lessons for CCB in regeneration programmes: Partnership working 69
2.4. Lessons for CCB in regeneration programmes: Funding as a lever . . 70

List of Tables

4.1. Key themes and principles of sustainable development for capacity building 133
4.2. Effective tools for community capacity building and environmental governance. 140
4.3. Dimensions of environmental capacity building 156

List of Figures

3.1. The social economy. 95
3.2. The local multiplier effect 101
3.3. The local multiplier effect (combining social and economic factors). 127
4.1. The intersecting spheres of sustainable development 133

Executive Summary

Community capacity building has a critical role to play in local development. With its focus on enabling all members of the community, including the poorest and the most disadvantaged, to develop skills and competencies so as to take greater control of their own lives, community capacity building contributes to inclusive local development. Not only can communities be more cohesive but they can also be more resilient and better placed to confront economic and social challenges. Meaningful and effective community capacity building can be stimulated and fostered by national and local governments, and by the capacity which communities have already developed, so that power becomes increasingly embedded within them.

It is important to recognise that meaningful community capacity building does not focus on "top-down" or imposed interventions and activities, but rather emphasises the importance of community capacity building as a tool for the identification of "bottom-up goals" – ones which are owned by the community. This notwithstanding, the role of other actors upon community capacity building activities should not be overlooked. Governments, agencies, non-governmental and social economy organisations, as well as individuals, can have a profound impact, both positively and negatively, on the facilitation of community capacity building.

Community capacity building: The evolution of an idea

Whilst there are elements of community capacity building in approaches such as community development, the idea and practice of community capacity building and its distinctive elements have evolved over the decades.

Noting the uneven development of community capacity building, especially in the social policy areas, it is nevertheless evident that the language of community capacity building is too often deployed to advance the implementation of a "top-down" agenda. The potential for governments and other actors who seek to align local communities with their own agenda, rather than to engage with local communities themselves, and therefore to effectively "hi-jack" the language of community capacity building poses a real threat to community involvement.

Such tendencies must be avoided if community capacity building is to be meaningful, rather than merely a "label" used to add greater legitimacy to government interventions.

At the same time, the power disparities which exist between public and private sector actors and communities, particularly those confronting poverty and disadvantage, not only limit the ability of communities to challenge imposed programmes, but also to engage effectively in community capacity building activities. Such power is about both differences in access to resources, and the use of knowledge and information as tools of power. For instance, community capacity building in the area of healthcare continues to lag behind other social policy areas partly as a result of the individual nature of healthcare, and associated issues *vis-à-vis* knowledge, but also, critically, because of deeply engrained attitudes of health professionals and a seeming reluctance on their part to respond to community initiatives and needs. Overcoming disparities in power poses real challenges; however, actors must be cognisant of their existence and actively seek to limit their impact. With regard to knowledge and information this can be done through ensuring the timely provision of information in a way which is most effective for the community, something which is also echoed in the chapter on environmental justice.

Issues, such as those noted above, emphasise the importance of clearly identifying the internal and external factors which promote or hinder capacity building within communities. Internal factors, such as a lack of skills, experience and resources can be addressed by various partners. Indeed, the importance of adequate resources being made available for community capacity building has to be underlined. External ones may, however, pose a greater challenge by demanding that other actors be prepared to cede authority and control. Such potential hindrances can be overcome; but it is only by recognising them that steps can be taken to address them.

Local economic development: Partnerships and community capacity building

Long-lasting, sustainable local economic development can never be achieved through the work of a single actor, whether they be from the public or private sector, or a social economy organisation; working together in partnership is crucial. Nor can the role and importance of the community in local economic development be overlooked. What is required is an explicit focus on creating stronger, more cohesive communities by building and enhancing human and social capital, which is an important factor for both community capacity building and for fostering local economic development.

In examining community capacity building and local economic development, it is essential to recognise the importance of building links between social economy organisations and the private sector, as well as governments and government agencies in order to address the complex social and economic problems which all communities, and particularly poor and disadvantaged ones, confront. Examples from the United Kingdom highlight how such links – particularly those between the social economy and the private sector – have served to generate greater levels of success in fostering local economic development and developing stronger communities. Other examples, such as those from Sweden and Barcelona, demonstrate the need to integrate community capacity building into local economic development activities from an early stage as well as the need to create a physical space in which communities can interact. However, such success depends on policy makers and programme implementers recognising a number of key lessons.

Ensuring the construction of strategies and services which explicitly seek to stimulate social capital and community capacity is something that should not be overlooked. Community capacity building does not happen by chance. There needs to be a deliberate focus on creating an appropriate environment for its development which includes not only public services, the private sector and social economy organisations but also communities, both as households and individuals. This demands interlinked strategies which address individuals and communities, and which focus on a wide range of services, including public services, as well as programmes to support social economy organisations, the private sector and entrepreneurial activity. Such interlinked strategies should also seek to lock-in growth within local communities as a further tool for building social and economic assets.

The environmental and community capacity building

Increasing evidence demonstrating that poorer, more disadvantaged communities disproportionately confront environmental ills has led to an awareness of, and demands for, environmental justice. Accompanying this has been a recognition that capacity building provides communities with the opportunity to access resources and expertise in order to address these ills and to challenge environmental decisions, bringing with it not only the potential for an improved environment for communities (often with positive outcomes on health) but also fostering stronger, more cohesive communities.

The idea of environmental justice is now well developed and the ways in which the movement for environmental justice can potentially be used as a political and procedural tool for community capacity building are being analysed. Examining the actors and resources used by the environmental

justice movement to mobilise communities and to enhance their participation provides important insights into the contribution it can make to community capacity building and allows for policy recommendations to be addressed to governments and non-governmental organisations.

Governments can contribute to environmental community capacity building not only through the provision of practical support, in terms of resource provision and through the opening up of information and communication channels for communities, but also by ensuring that there is meaningful collaboration with communities, which takes into account the disproportionate impact of environmental injustice on the most disadvantaged within society. Such collaboration demands the early involvement of communities in environmental decision making and the provision of support schemes in which communities can access objective "policy mentors". Ultimately, the focus of governments must move beyond environmental inequalities to one which incorporates support for community capacity building initiatives framed by both environmental and social justice principles.

Non-governmental organisations are often best placed to contribute to community capacity building. Whilst they need to ensure a sound understanding of environmental inequalities, they can make good use of their strong community links and relationships by working with vulnerable groups and ensuring that those who confront environmental injustice develop a greater voice for themselves.

Conclusion

It is evident that community capacity building has the potential to reach into every facet of social and economic life and contribute to building stronger, more cohesive, more resilient communities. Ultimately, however, it is important to remember that community capacity building is a process rather than a final destination which offers both communities and other actors opportunities to learn and to develop. Community capacity building can make an important contribution to community well-being but it can only do so if key messages are acknowledged and acted upon.

Perhaps the most important message which emerges is that community capacity building must be a community driven activity. This does not mean that other actors have no role to play, indeed the public and private sectors and social economy organisations have a critical role as a catalyst for community capacity building, but rather that community capacity building is not something which can be maintained from outside communities, or sought after in top-down initiatives. Governments must be prepared to cede power and to create the political space for communities to take greater control of their own empowerment.

Chapter 1

Putting Community Capacity Building in Context

by
Antonella Noya, Senior Policy Analyst, OECD LEED Programme
and Emma Clarence, Policy Analyst,
in the OECD LEED Trento Centre for Local Development

This chapter examines the ideas of community development and community capacity building, and the links between them as well as and their differences and similarities. Following this, there is a brief consideration of the key ideas presented in the subsequent chapters, namely the role of community capacity building in the areas of health, housing and re-generation (Chapter 2), the contribution which meaningful community capacity building can make to local economic development (Chapter 3), and, finally, the growing awareness of the ideas of environmental justice and sustainable development and the importance of community capacity building in fostering these. (Chapter 4) The chapter concludes by bringing together the major findings and conclusions of each of these chapters in order to identify the issues which may hinder meaningful community capacity building, and those elements which are central to successful community capacity building.

Introduction

Although relevant to all communities in principle, community capacity building (CCB) is often applied to communities that are considered to be disadvantaged and which have suffered negatively from the consequences of economic restructuring and social changes, increasingly driven by the globalisation process and, more recently, by the global financial and economic crisis.

Community capacity building and community development strategies have been carried out mainly in some of the most developed countries; however, community capacity building has, in recent years, been bolstered in other parts of the world, including within the emerging democracies of east and central Europe, as well as in many developing countries.

Despite considerable variations in the definition of community capacity building, a review of the existing literature reveals that it is, in essence, a process of enabling those living in poverty to develop skills and competencies, knowledge, structures, and strengths, so as to become more strongly involved in community, as well as wider societal life, and to take greater control of their own lives and that of their communities. Community capacity building has, in the space of less than two decades, become a ubiquitous term, found in a wide range of policy contexts, including social development, economic development and environmental development. Taken together, these three perspectives represent the core of much of the work of local and national governments. The following chapters analyse the evidence in relation to each of these contexts.

In this short introductory chapter, the idea of community capacity building and the debates which have developed around the idea will be briefly explored. Following that, some of the key lessons emerging from the differing policy contexts will be drawn out, and general conclusions from the three parallel analyses noted.

Community capacity building and community development

Up until around fifteen years ago, the term "community capacity building" was rarely used in the policy literature. Arguably, the term was introduced as part of a political fashion, but in practice it was difficult to distinguish it from the practice of "community development". It has been argued that that this led to a situation whereby the widespread use of community capacity building could be

seen as a failure of governments to properly promote "bottom-up" development. Rather, a "deficit" model of communities was used which failed to engage properly with the skills, knowledge and interests that communities have, and helped to obscure the structural reasons for poverty and inequality (Craig, 2005).

Understanding "community"

In the year 2000, a UK report described CCB as "the New Holy Grail", noting that the government's major national regeneration programme contained more than 3 000 separate CCB initiatives. Increasing use of the term seemed, however, to raise more questions than it answered, despite the fact that, as one observer noted, "any mention of civil society seems to include the term 'capacity building'" (Duncan and Thomas, 2000). To understand the meaning of CCB, it was (and still is) important to address, albeit briefly, the contextual language associated with it, particularly the use of the term community. In the past, community had become a concept meaning "all things to all people" – a concept loaded with contradictions and ambiguities; but particularly, in the language of policy and politics, it appeared to be a concept used where politicians wished to engender a sense of well being and consensus. The idea of "community", along with other key concepts such as opportunity, accountability and responsibility, has been central to the development of "Third Way" approaches to social and economic policy, steering a line between the policies of the Old Left (characterised by excessive state control and collectivism) and those of the New Right (marked by excessive individualism). As argued, however, the continuing focus on small "deprived" areas, labelled as "communities", "can run the risk of diverting attention away from the wider political economic forces which cause and maintain concentrations of poverty and unemployment there" (MacLeavy, 2008).

Those writing about, and practising, community development have similarly struggled over the past fifty years to define what "community" means for their practice. In the current global discourse about community development, "community" has three basic meanings: a *geographical community*, a *community of identity*, and *issue-based communities*. These different understandings of community are significant when the differing policy contexts in which CCB is applied are discussed.

Community development

The concept of community development has also been used to cover a range of differing understandings of practice and outcome. The history of community development can be traced back to the 1950s at least but in the late 1980s/early 1990s, many governments and international organisations "re-discovered" community development, although not always labelling it as such. Thus the World Bank viewed community participation as a means for

ensuring that Third World development projects "reached the poorest in the most efficient and cost-effective way, through the promotion of self-help" (Craig and Mayo, 1995). The United Nations Development Programme commented similarly in 1993 that it had "people's participation as its special focus ... as ... the central issue of our time". In reality, however, these international and national agencies gave scant attention to issues of social justice, mutuality and equality, or to people's right to participate in decisions which affect them, principles underpinning the philosophy and practice of community development as it is understood by practice-based organisations.

A wide-ranging definition of community development, the Budapest Declaration, was agreed on at a conference convened in 2004 by international community development organisations, with delegates from more than thirty countries. The definition highlights the fact that community development promotes local "voice", encouraging the ability to be critical of established policy and political contexts and thereby serving the interests of local communities. National and international "community development programmes" frequently do not allow this political space, and therefore are often not really *community* development programmes, because they allow little control by the community itself. Rather, "top-down" policy prescriptions take precedence over "bottom-up" community analyses. They also fail to understand potential divisions within communities with which community development workers have to work.

According to the Budapest Declaration, community development is therefore not only a practice, involving skills, a knowledge base, and a strong value base, but also has the goal of developing, or building the capacity of, communities. This challenged the general idea of CCB (as opposed to community development) and led to some critiques addressing the linguistic (and ideological) shift from community development to CCB. Firstly, given the marginal differences between the proclaimed goals and methods of community development and CCB, it was considered superfluous to introduce a new concept into the policy lexicon. According to a previous review of the definitions, scope, measurements and critiques of CCB (Craig, 2005), the use of this term was possibly accelerated by the political fashion of new governments wishing to promote new policy programmes and to distance themselves from previous governments. Secondly, the concept of CCB was applied unselectively to a very wide range of activities, many of which had little to do with the development and the *community* control of the skills, knowledge, assets and understanding of local deprived communities; something which lies at the heart of the definition of community development provided by the Budapest Declaration. Thirdly, those working with local communities questioned the motives of those promoting CCB "from the top". CCB was seen as being pursued by powerful partners to incorporate local communities into established structures and mechanisms, rather than having to face the challenges to those

existing structures which effective work with deprived communities presents. The final critique was that "cultural difference was viewed as a weakness and not a strength, a capacity deficit to be rebuilt or a problem to be 'solved'" (Tedmanson, 2003), and that communities were deficient in skills, knowledge and experience. This "deficit" approach to CCB assumed a social pathology approach to communities which lack skills and abilities: these qualities would allow local community residents to be "good citizens" in terms identified by government and "for those in power, this model of capacity building is useful. It poses no threat. It is top-down, paternalistic, and deflects attention away from the need to change the existing institutional and economic structures. It is a view that serves and supports the status quo" (Beazley, Griggs and Smith, 2004).

Such an analysis of CCB from the perspective of the values of community development, would suggest that a view of communities as somehow deficient in certain skills and capacities to enable them to engage effectively with other actors in local governance misses the point, as the analyses in the following chapters demonstrate. Communities have skills, ideas, capacities but these are often latent or unacknowledged. Local and central governments often come with their own agendas which they attempt to impose, however subtly, through partnerships, or more crudely, directly on local communities, often using funding as a lever for compliance. The task for powerful partners in these kinds of CCB partnerships should be to listen to communities' demands and respond appropriately rather than continuing with predetermined goals and programmes, even where what local communities are demanding may be in conflict with external agendas. This may not just be difficult for powerful partners; it may be precisely what, despite the rhetoric of CCB, they are not interested in. For example, there can be little doubt that many governments' understandings of CCB are linked to their desire to have more stable, organised communities with which they can more easily engage to pursue their own ideas of community cohesion, community safety, child and family policy, and criminal justice. In the territories of social, economic and environmental development, however, this might act to suppress the ability of local communities, whether organised in terms of geography or interest, to express their own needs.

Community capacity building

CCB has been effectively used in much the same ways as community development. Under this new umbrella term, however, not only has a similarly wide range of activities found shelter, many of which have little to do with the goals and values of community development, but many of the old tensions and difficulties of community development, including the manipulation of communities, misappropriation of terminology, co-option of activists, conditional funding and state controlled power games such as divide and rule,

have also emerged. Local, regional and national governments and international bodies, particularly those of a centre-right disposition, have been able to obscure the structural reasons for continuing poverty and inequality and garnered the political space to enable them not to respond to the demands of the dispossessed. To respond effectively to local communities' demands would mean giving up much of the power which these bodies enjoy. Who therefore defines the capacities which communities need and why? What control do local communities exercise over the capacity building process? And who defines what a strong community should look like?

CCB is essentially, therefore, not a neutral technical process: it is about power and ideology and how these are mediated through structures and processes. As with the terms *community* and *community development*, the term *CCB* might be used to hide a false consensus about goals and interests and to give a false sense of community ownership and control.

Community capacity building and social policy

The second chapter by Gary Craig considers the practice of community capacity building in the context of three areas of social development, namely housing, health and community regeneration.

Analysing the role of government, as the major dispenser of social policies, Craig stresses the fact that its actions can often create tensions with CCB processes. These tensions emanated from two different elements: governments' declared willingness to involve citizens in processes (in order to limit the democratic deficit) and, at the same time, governments' tendency to drive "top-down" CCB initiatives. As pointed out in this chapter, assessments on the role of governments in CCB are very different. On the one hand it is stressed that governmental approaches to CCB tend to imply a limit to the capacity of communities to create networks, as they often assume that communities have no capacity for self-governance. On the other hand, CCB initiatives are considered as a "service" to the citizen, aimed at improving the performance of local governments and increasing agencies' cohesion. These latter initiatives do not always address the issue of giving communities greater control.

Health communities are also concerned with the issue of delivering services and the relationship between health users and providers. Despite the fact that health policies, by preserving basic human rights, are deemed fundamental, it is important to acknowledge that there is no single, general model of welfare. Notwithstanding pressure to reduce investment in welfare, there has recently been a growing trend toward investments in the health sector and its modernisation. Yet it has been suggested that, with modernisation, control seems again to have been taken away from the community in favour of a more scientific/bureaucratic model. Craig stresses that there is a need to

introduce mechanisms which enhance users' involvement in health matters, which would also be useful in avoiding governments' health policy to become simply "a technology of legitimization" (Harrison and Mort, 1998; Harrison, Dowswell and Milewa, 2002). Another problem related to the democratisation process of health policies is linked to the fact that market solutions are often prioritised over social or community ones. As pointed out by Crowley (2005) and Chau (2008), this has caused problems to those people who cannot easily access healthcare services, therefore emphasising the inequality gap.

Social policies are fundamental in order to promote the role of capacity building in healthcare. According to Craig it is necessary to improve interventions at the community level in order to involve different groups of people and identify a community's characteristics and needs. Policy legitimacy should be pursued both in terms of the individual as a consumer and of the community as a user. However, there are often contradictory or confusing interpretations of efficiency related to government policies (Calman, Hunter and May, 2004). To tackle this problem, the attempt of a Canadian community developer to create indicators and guidelines to assess CCB potential in the promotion of health has been useful. Certainly positive for the development of CCB are the observations on its economic values and on the potential it has for improving and encouraging the access of marginalised groups to health services, particularly if they are supported by successful examples. In his chapter Craig presents a series of examples related to users' control and self-organisation in the field of mental health work and community health issues (programmes, projects and research studies). The role of CCB in the promotion of health is enhanced by the potential day-to-day relationships which take place at the community level, therefore underlining the most appropriate solutions for the specificity of the community itself, given that needs change from place to place. Craig highlights this through examples ranging from those of Australian indigenous peoples to cases based on UK experience.

In terms of CCB, health issues are often interconnected with issues arising from housing conditions. It is difficult to define social housing, as it changes according to different countries; however, it can generally be thought of as a public intervention in order to meet the housing needs of people who cannot access the private market. The value associated with social housing is often a reflection of the necessity of cohesion and integration of the groups which tend to be socially excluded. Social housing is deeply rooted in the recent history of European countries, including eastern European ones. It has been widely used during, and particularly after, the First and Second World Wars to address serious housing shortages. Governments, such as that of the UK, have often tried to enlarge the participation of tenants in decision-making processes. In the UK, after the dark period of the 1980s (when social housing was under most attack from government), there has been an increase of housing

associations assisting minority groups or people facing different difficulties, and co-operatives where members could self-manage have also grown in numbers.

The value of tenants' participation in the planning, provision and evaluation of services has led to it being encouraged through such things as training projects and more formal invitations by landlords. Even though most of the participation in the 20th century can be identified as top-down, Craig presents positive examples in terms of access such as in Germany and Sweden, and points to the Netherlands as a country where traditional contracts tend to be more flexible and engage with the tenants' needs. The situation in Australasia tends to mirror the European one, although countries' particularities and the needs of indigenous peoples have resulted in diverse outcomes. Generally speaking, it is agreed that CCB has confronted difficulties in the area of housing, but that it has also been acknowledged that tenants' participation and skills should be promoted together with good practice.

Housing is highly connected with the issue of community regeneration policies, generally intended to ameliorate the social economic and environmental conditions of so-called "run-down areas". Renewal has been promoted through multiple projects, both by governments and private agencies, and applied in neighbourhoods (a term which does not always apply to the same situation in every country). These projects range from those trying to support community leaders to those aiming to involve minority groups in the community through upskilling and employment support. However, they have not always been successful due to the fact that it is necessary to respond to diverse community sectors with proper and context-appropriate measures. In order to assess community capacity in terms of regeneration, it is necessary to involve tenants in social housing, direct services at deprived areas, tackle the problems of the so called "zones of transition", encourage interaction, strengthen civil society, and improve access to health and employment services. Neighbourhood renewal is therefore a complex goal to achieve, both at an urban and rural level. Difficulties are often encountered in communities, where there are ethnic divisions, where communities lack support or where there are familiar barriers to participation, such as political or bureaucratic interference. Problems can also arise if policies are unrepresentative, modest or delivered in a tokenistic way, and are therefore more oriented at justifying governmental action rather than truly trying to tackle problems identified by communities themselves.

In conclusion, Craig's chapter offers a rich series of examples of CCB in relation to social policy areas such as health services, social housing and community regeneration. Historically, CCB seems to have been more successful in relation to social housing. Yet CCB approaches have to be further encouraged: firstly, there is often a problem of linguistic confusion (which may be exacerbated by the misappropriation of key concepts) both in terms of identifying capacity building actions and in defining the situation in which

they play a role. Secondly, another major problematic issue is the exercise of power, in particular the balance of power between government, private agency and local communities. As noted by Craig, factors which might prevent CCB from succeeding are both internal and external. While the former may reflect, to some degree, the presence of different groups of people, poverty, a lack of knowledge, skills and control over resources; the latter may be due to the attitude of partners and their lack of real interest in the community agenda and development.

Local economic development and community capacity building

In Chapter 3, Andy Westwood considers the relationship between community capacity building and economic development. He explores the inter-relationships between the social economy and different actors in local communities for the explicit purpose of economic development in deprived areas. The chapter investigates how social capital in communities can be developed so that sustainable economic development is also achieved. Finally, Westwood addresses what strategies should be pursued in order to maximise both social and economic development and, crucially, the inter-relationships between the two, sometimes competing, goals.

This is an important area to consider for two reasons. Firstly, Westwood argues that much literature on community development and the stimulation of social capital exaggerates the connections to the social economy and the third sector at the expense of other vital contributors. Secondly, with the onset of worldwide, negative economic growth, the relationship between social capital and economic development changes significantly. The important question of how social capital and community capacity building help to promote economic growth should also be reconsidered amidst a different economic situation. The chapter therefore considers how the inter-relationships between different sectors can help to preserve economic activity, to capture and sustain economic activity and develop resilience amidst deteriorating conditions.

As in other chapters, the literature demonstrates how problematic it is to differentiate between the terms "capacity building", "community capacity building", and "community development". This chapter considers some of the relevant definitions and strategies for community capacity building and how they relate to policies and ambitions for economic development in deprived areas. It argues that social capital improves the environment for economic development to take place, both within communities and between partners trading at a distance. In particular, the chapter describes how workplaces and the private sector are vital generators of social capital and community capacity. Robert Putnam's bowling leagues often stemmed from the office or the factory, mineworkers across Europe formed sports teams and social groups as did

trade unions, chambers of commerce and many private firms. In many places this workplace generated capital has also endured after employers and industries have long since disappeared and after individual workers have left or retired. In the UK, colliery brass bands and male voice choirs have continued long after their mines were closed down. So too have sports team from local pubs and bars that are also disappearing from communities throughout the world.

As suggested by several commentators, the chapter sees the social economy as a vital builder of capacity within any community (Noya and Clarence, 2007). Others have suggested that the social economy is not a sector in itself but rather a blurred economy existing across more traditional sectors (Murray, Mulgan and Caulier-Grice, 2008). No single sector has a monopoly position in the social economy; all sectors contribute significantly to it and through it, to improve overall capacity in any given community. What most distinguishes the social economy sector is its emphasis on returning the profits made from enterprise back to the community, rather than to private, and usually external, hands.

Across all sectors, the chapter describes how important it is to increase activity, but also to retain economic benefits within a community. By locking in growth, whether through social firms, grants, third sector or local enterprises, poorer communities will more rapidly build both economic and social assets. The chapter explores and describes a range of activities that can achieve this, concentrating on those that deliberately seek to grow or to link people and local organisations to economic activity and growth. The chapter considers time banks, the co-operative movement, credit unions and schemes that promote local trading and currencies. It also explores how social economy and local governments are exploring these, and other innovative models, to lock in economic benefits to an area.

Westwood considers several practical examples of how the coming together of social economy activities and the private sector have generated high community capacity and better economic conditions. In Chicago, local foundations and the city authorities have developed a franchise partnership. Franchising offers the benefits of entrepreneurship but through a structured process. By buying into a business with a national brand and a proven business model, the local entrepreneur minimises their risk. In Leeds, Birmingham and North East England, the leading UK supermarket, Tesco, has partnered with local community groups to open stores staffed by local people who had been previously unemployed for long periods of time. In Barcelona and Stockholm, the city authorities have attempted to create thriving new communities with strong private sector economies in run-down, isolated neighbourhoods within each city. Both processes have deliberately and successfully placed community development and quality of life issues alongside strategies for economic development.

The co-operative movement that emerged in the UK in the early 19th century is now a major example of how social goals and community development can be harmonised with economic development. In the UK, the Co-operative Group now has over 1.5 million members, 87 000 employees and an annual turnover of GBP 9.4 billion. All of this stemmed from a small group of shopkeepers, traders and farmers in Rochdale, a small cotton mill town. In 1920s Canada, farmers in the Prairie Provinces of Alberta and Manitoba set up "wheat pools" and co-operative grain elevators. They are now major international businesses. In Italy, Conserve Italia was founded in 1976 by fourteen different co-operatives, to produce under the brands "Valfrutta" and "Cirio". Today, Conserve Italia is one of Europe's largest agri-food industries, bringing together over 50 co-operative associations. Its turnover in 2006/07 was EUR 1 billion and it employs nearly 7 000 people on top of the individual farmers and their workforces. Another successful example of the agricultural co-operative impact on local economy is Melinda in Trento. Melinda is a consortium of 16 co-operatives specialising in the growth and production of apple based goods in the Trentino region.

In conclusion, the chapter describes how policy makers should pursue as broad an approach as possible to stimulate community capacity and activity, maximising the inter-relationships between the social economy and other sectors, as well as following policies that boost either private sector entrepreneurship or the third sector in isolation. Complementarity should apply to policies operating at the local level but also to the relationships between local policy and organisations and to nationally delivered policies and services in a local area.

Community capacity building and the environment

In the chapter by Maria Adebowale and Lovleen Bhuller, the potential of CCB to support environmental sustainable development and to transform the idea of environmental justice into reality is addressed. Nowadays, communities have to face several environmental challenges, from climate change, flooding and desertification to excessive consumption of raw materials. Adebowale and Bhuller present a range of case studies drawn from the European, Australasian and American experiences in the chapter and explore the elements which have determined their success and the difficulties encountered by communities. On the basis of these observations, clear policy recommendations are provided as to how community capacity building in an environmental contact can be made effective.

Before entering into the specifics of case studies, the authors clarify the context in which concepts such as sustainable development and environmental justice belong. A useful instrument to define these two ideas is represented by the

Brundtland Report, a document in which the need to safeguard the environment for the future generation and support for communities subject to "environmental bads", are considered values to be pursued at a global level. Given that the majority of environmental degradation is the result of human activities, and particularly those of the wealthy countries, CCB is seen as an effective means to provide communities with access to requisite resources and knowledge to address the problem.

In Europe, the main environmental challenges are the result of human activity and natural disasters (often associated with climate change). To show how CCB can sustain environmental development, Adebowale and Bhuller use two examples: the first one relates to a community affected by flooding near the River Humber estuary in England, while the second one refers to the Nyikò Valley in Romania where villages were devastated from flooding. In both cases, one of the first measures undertaken to tackle the problem was to activate a transfer of knowledge from central government, agencies or non-profit organisations to the communities. Another important element was to enhance the participation of stakeholders in decision-making processes and to stimulate their discussion and confrontation. Yet, both projects encountered difficulties: in the first case, the problems related to the political context in which it took place; while the second case suffered from scarce participation of the most vulnerable people and a lack of strong leadership.

Examples from Australasia demonstrate the importance of including and involving all members of communities. In Australia, there is a clear commitment to promote CCB among indigenous communities with regard to resource management. This is the case of the North Central Catchment Management Area programme, under which an indigenous Australian became a member of the Victorian Catchment Management Council and promoted the potential of indigenous people as resources managers due to their special relationship with nature. In order to share the knowledge between indigenous people and landowners, the initiation of forums and the encouragement of recognition and respect were fundamental, although this should not detract from the context of political inequality in which the project took place. WasteBusters is an example from New Zealand that shows how communities' actions can have a positive impact on waste management and recycling. Results were achieved because of the collaboration between local communities, councils, WasteBusters and the Zero Waste Trust and the willingness to work with communities and to become fully embedded in the community.

In the USA, pollution represents one of the major environmental challenges. The Environmental Protection Agency (EPA) has involved communities in projects to tackle different pollution problems that seem to be affecting, in particular, the poorest areas of the cities. An example is the EPA's Environmental Demonstration Projects activated in Barrio Logan (San Diego). In this case, the

knowledge transfer to the people of the communities has been fundamental, although it is recognised that such issues will only find a solution in the long run. Similarly, the Atlantic Coastal Action Plan was enacted by Environment Canada to protect the coastal ecosystem from pollution: knowledge spreading was again considered amongst the most important values. CCB projects are more likely to be successful if organisations (governmental and non-governmental) manage to create a partnership with the communities. Adebowale and Bhuller also consider Canada's example for the Joint Action Group for Environmental Clean-up of the Muggha Creek Watershed, where community engagement was sought through round tables, community meetings and knowledge transfer. Mexico City is also considered in the chapter, in particular with reference to Green Vision, a project for the preservation of the Los Dinamos forest which had been suffering from over-exploitation. Despite initial hostility from the local people, thousands of trees were planted, training was offered to locals and strategies to attract people to the forest were undertaken.

In conclusion, the case studies used by Adebowale and Bhuller highlight the way in which the empowerment and participation of communities is fundamental to achieve environmental sustainable development. The success demonstrated in the case studies can be seen to be the result of good organisation and co-operation, efficient monitoring and an awareness on the part of policy makers of the need to engage meaningfully. CCB processes have to be inclusive ones, despite the difficulties which may exist in involving vulnerable groups. Leadership and political influence also play a determinant role, as they are involved in the majority of actions to obtain financial resources.

Major findings

The importance of community capacity building in local development, paying particular attention to its social, economic and environmental dimensions, will be examined in the following chapters. However, it is useful at this point to present the major findings, key messages and conclusions of the chapters.

The importance of community development and capacity building

The discussion has been framed around an outline of the development of the idea of community capacity building. One of the results of this analysis, across all of the chapters and contributions, is that if the notion of community capacity building has much in common with that of community development, there may be ways in which they can be distinguished. Largely, for a certain period and by most commentators, they have been used in an interchangeable way and have been seen as pursuing the same broad objectives – the

empowerment of communities (Budapest Declaration, 2004). Where differences emerge, it may be less in what sort of language is being used, but rather in the way in which change in promoted, who is promoting it, what legacy is expected to be left in communities and the extent to which communities may own that process and the outcomes of change. Community development and community capacity building, in whatever sphere of public policy, can both be promoted from outside or inside a community but the goal in both cases should be (but often is not) a process by which communities take ownership of the process and whose final results include the empowerment of the community.

There may be subtle differences in understanding as to how the two approaches work and may differ, although these may be marginal compared with the over-riding similarities between the approaches. Thus, community development can refer to broad investment in facilities, services, as well as economic development and also to policies that improve human capital, employment levels and business investment or location, but it does not intentionally discriminate between these aims and the effect of these on the "capacity" of the community itself. The language of community capacity building more often points to an explicit intention to improve the capacity of and within communities themselves, so there is a deliberate attempt to shape services and develop institutions that increase social capital, autonomy and the overall capacity to drive change from within a community.

There are important and considerable overlaps; thus, measures that improve the individual educational levels of residents will form an important part of both approaches. So too would measures to increase job opportunities and the number of businesses and enterprises in an area. CCB might be considered by some to go further and invest specifically in community leadership and the types of jobs and businesses that are developed by local people or that trade within a local area in order to capture economic benefits within the locality. In economic development terms any increase in jobs or businesses are likely to be a good thing – however, in CCB terms, there are objectives to increase the number of locally owned businesses or local people working in newly created jobs.

Community development has a long history and it has been the cradle of community capacity building. In fact many practices, particularly those promoted by government, nestle within both areas of practice and some, unfortunately, appear to have little to do with the real empowerment of local communities and the development of local community control (however community may be defined) over policies which affect them. Indeed, it has been suggested by many commentators that governments often uses the language of community capacity building to manage or control local communities in line with wider political and ideological objectives, rather

than empower them; the term CCB, like community or community development, had been "sprayed on" to a wide range of projects and programmes, many of which had little to do with real community empowerment; and, finally, that cultural difference was often perceived by governments as a weakness. This has been particularly the case in countries with a high degree of centralised policy making and delivery rather than those with more devolved structures. In reality, in both instances, many communities – even those labelled as most deprived – had skills, knowledge, experience and strengths but institutional barriers erected by major policy partners, particularly state agencies, often prevented these capacities from being expressed and realised.

The chapters in this report show that, in certain instances, it is possible to separate out community capacity building as an evolution from broader ideas and theories of community development as well as those concerning economic and social development. Capacity building entails specific characteristics and definitions that help us to refine and test policies and approaches aimed at improving economic and social conditions in a deprived community. It is suggested that the best policies are those that improve conditions across a broad front, but that also deliberately aim to build autonomy, knowledge, resilience and leadership within the community at the same time.

Using community capacity building for local economic development

The chapter on community capacity building and economic development suggests that this helps to define and shape the interventions designed to increase economic activity by emphasising those that lock in skills, jobs and economic benefits into an area. The author also argues that the approaches that are best combined with existing community networks and organisations are those most likely to take root and ultimately succeed. The chapter describes how policy makers should pursue as broad an approach as possible to stimulate community capacity and activity, but must intentionally maximise the inter-relationships between the social economy and private sector entrepreneurship. It is important to increase economic activity across all sectors, and also to retain economic benefits within a community. By locking in growth – whether through social enterprises, grants, third sector or local enterprises – poorer communities will more rapidly build both economic and social assets. Those policies which promote community owned and based enterprises alongside policies that promote inward investing firms, provide a good mix of activity. Furthermore, efforts should be made to tie inward investing firms into communities through the use of the social economy, local job guarantees and financial support.

Broadly, the more economic "assets" in a community and the greater the local ownership, the better the overall capacity for development is. This is a crucial message to policy makers in the current economic climate, where it is

vital that economic activities are sustained during recession. It is expected that those communities with the strongest ownership or connection to firms will prove the most resilient.

Social policy: The challenge for community capacity building?

The review of social development interventions in the fields of housing, health and regeneration underlines that community skills and experience exist, albeit unevenly across the three fields. In the territory of health, "community" is a more complex concept than in other contexts since it applies to the "community" of health service users, a community which might be divided by a wide range of measures, such as geography, age, ailment (including both physical and mental illness – and indeed many users such as pregnant women who have no ailment in any case), ethnicity, and so on. The struggle here for community capacity building is essentially a struggle for health service users to have more control over health service policy and practice, in particular over the process by which health services are delivered. The community seeks to improve the way in which services are delivered. This goes beyond simply improving information flows, for example, to challenging the organisational framework of health service delivery to make it far more responsive and sensitive to individual and community need. Health service delivery provides many examples of shallow initiatives to "involve" service users which have offered little real engagement with, or control over, the policy process. The organisation of health services often appears to be organised on the basis of what suits managers and clinicians rather than those dependent on health services for their well being.

In the housing area, there is by contrast a territory which is capable of little professional mystification (although housing allocation procedures have occasionally been regarded as arcane) and where there has been a very long history – of 100 years or more – of campaigns by the users of social housing to have greater control of housing policy, including the day-to-day minutiae of repairs and maintenance, and broader issues of allocation and development, through to strategic questions of the disposal of social housing to the private sector.

Regeneration is a social policy practice which emerged most strongly in the post-Second World War period, initially to respond to the damage caused by war but since that time, to engage in the systematic revitalisation of housing and neighbourhoods. Neighbourhood regeneration has been focused on small, usually deprived communities and thus has been a particularly appropriate context for community development interventions or, in more recent years, for those labelled as community capacity building. Of these social policy interventions, those in the field of housing and regeneration

(which have often been coterminous) have thus offered a far greater body of experience than has the field of health policy.

The general analysis points to some common themes emerging from the study of social development community capacity building initiatives. In all three fields of activity, language was often used in confusing ways, obscuring goals and objectives of programmes, and many interventions which were being driven by government were often misleadingly regarded as being owned by the community. This applies equally to programmes for tenant participation where an increasingly widespread infrastructure masks the extent to which tenants have real control over housing policy; to health service delivery where service users confront the political and professional strength of clinicians before even beginning to establish users' rights to a voice in policy and service delivery; and to regeneration, where a plethora of community-based renewal programmes have failed to deliver real community control over the process of improvement of neighbourhoods.

The issue of power here is crucial. Disparities of power between government and other statutory partners on the one hand, and local communities on the other, mean that communities are often structurally disadvantaged when it comes to working in partnerships or to contesting control over resources or the ways in which those resources are to be used in CCB programmes. These disparities in power are particularly marked where communities are characterised by poverty, divided, or are disproportionately associated with marginalised or less powerful groups, such as black and minority ethnic groups, young or elderly people.

Sustainable development and environmental justice: The role of community capacity building

In relation to environmental development, although debates about sustainable development do go back to the 1970s, these are all rather more recent issues to explore in the context of this study and discussions about the right of poor communities, in particular, to participate in processes and decisions which affect them in the environmental area are only now beginning to emerge with some force. It is only fairly recently, for example, that the impact of environmental and climate change affect poorer communities more disproportionately has been understood. Capacity building within the environmental context may have been at the root of sustainable development for upwards of thirty years but the understanding that environmental protection has to go hand in hand with social and economic development has also only more recently taken root at local "community" level. This is increasingly linked to an understanding that environmental degradation has strong links with the social and economic concerns of local communities, particularly of poverty and inequality.

Thus, whilst tenant participation has a history in most OECD countries stretching back fifty or sixty years (or more in some cases) it is really only in roughly the past thirty years, albeit now at a rapidly accelerating rate, that concern about the environment and environmental aspects of community life, has been translated into policy and legislative instruments in many countries. Alongside social and economic well being, environmental well being is now coming to be recognised as an equally important field for government intervention at both national and local levels (as well, of course, as international levels). Even more recently, however, has been the recognition that community responses to these interventions should be regarded as legitimate. Understanding the relationship between capacity building and environmental inequality is thus becoming of increasing public concern.

An analysis has emerged at local, national and international levels which points to the fact that the costs and benefits of environmental change are not falling equitably upon communities and indeed, that poor communities bear a disproportionate share of the costs. This operates at all levels, from local to international, with some poor southern Pacific territories likely to be swamped by rising sea levels, the consequence of climate change driven by the polluting industries of the North, whilst the direct effects of that pollution may be felt by neighbouring deprived communities. This represents a particular challenge in terms of developing "community" responses since some communities bearing the costs of environmental change may be physically many miles away from the sources of their difficulty. There can be little doubt however that increased levels of local, national and international responses to environmental change will be seen over the coming years. There is, of course, another major structural problem in developing strategic community responses to environmental issues which is that the influence of private sector profit-driven organisations is much stronger here than in the fields of social policy for example (although private housing and health providers are increasingly drawn into debates about user or community control).

The social concerns relating to the unequal impacts of human behaviour identified by eco-sociologists have, however, rarely been tackled until recently and most environmental organisations are only just beginning to incorporate a social justice dimension into their work. Mainstream campaigns and environmental programmes by non-governmental organisations have tended to concentrate on ideological debates, such as environmental protection *versus* economic development. People most affected by the consequences of environmental decision making were not only alienated from an increasingly narrow debate but were insufficiently protected by environmental or economic policy. In order to address this problem there is a need for governments, and others, such as funders, to support community capacity building which has both social and environmental equity elements.

As with the evidence in the territory of social policy, it is clear that issues of disparate power (including access to resources and information) – between community actors and the more powerful statutory and private sector interests facing them – are highly significant. As noted, the language of community capacity building has yet to fully penetrate the field of environmental campaigning although there are certainly questions as to the extent of real participation of deprived communities – the same communities campaigning around health, housing and regeneration – in shaping local environmental strategies. Including communities from the very beginning of collaborative processes is therefore critical if participation is to be meaningful.

Nevertheless, as the chapter on environmental issues demonstrates, this picture is changing. The 1987 World Commission on Environment and Development helped to shape the theoretical understanding of capacity building as part of social and environmental justice strategies, linked to growing understandings that socially and economically excluded people were least likely to gain "environmental goods" – clean water, unpolluted land – and most likely to receive – "environmental bads" (for example, air pollution, desertification), just as the "goods" and "bads" of housing, healthcare and regeneration were unequally distributed. Capacity building in the environmental sector thus meant, as it does elsewhere, concentrating on supporting or providing accessible information, participative decision-making processes and supportive legislative and political structures facilitating real control by local communities over political and policy processes. Effectively, dealing with environmental challenges and the potential complexities which they raise, is heavily influenced by mechanisms; potential and capacity to support community level participation within environmental decision-making processes; and, the systems (legislative and policy) that enforce or support community voices. This is again a very similar message to that emerging from work in the social policy field.

The chapter on environmental capacity building argues strongly that the objective of capacity building should not simply be restricted to the creation of the potential within a community to access information and/or to participate in the decision-making process. Rather, its effectiveness depends on the ability to harness that potential for the long-term achievement of results.

Conclusion

In conclusion, community capacity building, whether starting from social, economic or environmental issues, therefore has to be informed by what has been described as a three-dimensional framework, recognising social, economic and environmental aspects of development. Capacity building needs to be seen as an endogenous process where external agencies, such as governments,

civil society and businesses, act merely as a catalyst, facilitator (including providing resources) or knowledge broker for the communities. Whilst undoubtedly much capacity building can be criticised because of its failure to recognise the pre-existing capacity (knowledge, skills, experience, information, expertise) of communities, as well as only rhetorical commitments to community empowerment. The ultimate goal of a capacity building initiative should be the development of local leadership and increased local engagement and control over programme management, policy development and service delivery. The effective, real, empowerment of communities should allow them to build networks and partnerships, which will enhance their ability to ensure the sustainability of decisions that influence their quality of life, in social, economic and environmental spheres.

The substantial volume of evidence amassed in this publication suggests that there are conditions under which community capacity building can be enhanced – leadership, knowledge, skills, experience – or impeded (usually the institutional barriers erected by powerful partners) and one task for the future is to systematise this evidence to support the process of CCB in the interests of local communities. The key message for government – whether at local, regional or national levels – is to create the political space (and resource it) to enable communities to take greater control of the way in which they are empowered – regardless of whether it is termed community development or community capacity building. This political space implies a recognition of the capacity already inherent in communities and the encouragement of the development of new capacity in a way which embeds power over the development of communities within those communities themselves. Too often CCB programmes, community development, partnership working driven from above have a tokenistic commitment to community empowerment which fades as soon as communities demonstrate that they are capable to identifying needs which may be at variance with those of government. Governments then retreat to tired old formulae, characterising communities as pathological and the groups which represent them as, in fact, unrepresentative. A real commitment to capacity building, in whatever sphere, means taking risks, risks which will pay off handsomely if governments can cope with the potential conflicts and disagreements which emerge along the way. What communities lack essentially, is effective power to express their views and have those views accepted, and the resources to underpin work to structure and give voice to their concerns. Governments have to let go of power and provide adequate resources to communities; if they don't, the CCB experiment will eventually fail, and communities will be blamed for that failure.

This leads to the final point that it is also possible to now think about ways in which the effectiveness of CCB – its longer-term impacts – can begin to be assessed and measured. There are some, albeit limited examples, of

groups beginning to think seriously about the evaluation of the effectiveness of CCB and this points to an urgent need for more work in this area. This might help government to understand the process of CCB more clearly and to perceive the very real long-term benefits that it can bring.

Bibliography

Beazley, M., S. Griggs and M. Smith (2004), *Rethinking Approaches to Community Capacity Building*, University of Birmingham, Birmingham, mimeo.

Craig, G. (2005), *Community Capacity Building: Definitions, Scope, Measurement and Critiques*, paper presented at the LEED Directing Committee held in Prague, mimeo.

Craig, G. and M. Mayo (eds.) (1995), *Community Empowerment*, Zed Books, London.

Duncan, P. and S. Thomas (2000), *Neighbourhood Regeneration: Resourcing Community Involvement,* Policy Press, Bristol.

MacLeavy, J. (2008), Neoliberalising Subjects: The Legacy of New Labour's Construction of Social Exclusion in Local Governance, *Geoforum*, Vol. 39, No. 5, pp. 1657-1666.

Murray, R., G. Mulgan and J. Caulier-Grice (2008), *Generating Social Innovation: Setting an Agenda, Shaping Methods and Growing the Field*, Young Foundation discussion paper, The Young Foundation, London.

Noya, A. and E. Clarence (2007) (eds), *The Social Economy: Building Inclusive Economies*, OECD Publishing, Paris.

Tedmanson, D. (2003), *Whose Capacity Needs Building?: Open Hearts and Empty Hands, Reflections on Capacity Building in Remote Communities,* paper given at the 4th International Critical Management Studies Conference, University of South Australia.

© OECD 2009

Chapter 2

Community Capacity Building and Social Policy: Health, Housing and Community Regeneration

by
Gary Craig, Professor of Social Justice, University of Hull, United Kingdom

This chapter examines the way in which the practice of community capacity building can be understood in the context of social development generally, and within the welfare sectors of housing, health and community regeneration particularly. Whilst the context of community capacity building varies from one sector to another, from the entrenched power of health professionals vis-à-vis *the "community" of health users to a longer history of debate within housing work, a range of common issues emerges from examining practice in these sectors. Drawing broadly on examples from OECD member countries in the three areas of social policy identified, this chapter explores these issues including the confusing use of language, the disparate power held by statutory partners as compared to the community when negotiating over building capacity, and a range of internal and external factors which promote, or impede, community capacity building.*

Introduction

This chapter focuses on the role that CCB plays in relation to social development, that is the development of social policies, and the contribution it could, and in some cases, does make. Three distinct but representative arenas of social policy, namely housing, health and community regeneration will be examined and the challenges and opportunities for CCB in these areas.

Before considering these three areas in depth, it is possible to summarise some of the core lessons which emerge from the following review of CCB within social policy programmes. First, the practice of CCB is clearly being applied in the three social policy contexts considered in this chapter. In some cases these policy contexts overlap. CCB is also being applied in other policy contexts, often in a holistic fashion. The evidence reviewed here suggests strongly that thinking, and organisational practice, is substantially more advanced in the social housing sector – where work on tenant participation has a long pedigree – and, to a lesser degree, in community regeneration work than it is in the health sector. In the latter, deeply engrained attitudes amongst health professionals, the individualisation of much healthcare and the impact of medical technology make CCB techniques to promote user involvement far less easy to adopt. Nevertheless, many of the dilemmas and tensions which can be identified are common to these three policy areas and to the practice of CCB more generally.

Secondly, the language of CCB, empowerment, participation, etc., is used loosely to cover a range of activities, many of which are not, in fact, being used to pursue "bottom-up" goals but reflect "top-down" government interventions. This means that the agenda of government departments, for example neighbourhood management and control, are driven through with little regard for the expressed interests or needs of local communities. At the same time, there is significant linguistic confusion which acts to obscure goals and methods. In some cases, government's use of the language of CCB results in the manipulation of communities and the co-option of local interests to government agendas, rather than their empowerment. Where communities do become organised effectively, government then often moves to regain control of processes.

Thirdly, the issue of power is crucial. Disparities of power between government and other statutory partners on the one hand, and local communities on the other, mean that communities are often structurally

disadvantaged when it comes to partnership working, to contesting control over resources, or deciding the ways in which those resources are to be used in CCB programmes. These disparities in power are particularly marked where communities are characterised by poverty, or disproportionately associated with marginalised or less powerful groups, such as black and minority ethnic groups, young people, or older people. In communities which have a very diverse demography, CCB faces increased difficulties and it is quite easy for government, or more powerful partners, to retain control of policy agendas. In the health context, the power of health professionals makes it even more difficult for user groups to determine agendas for change; indeed often they are not regarded as legitimate voices in policy and service debates at all. Many powerful partners seem unable to understand that CCB is not a zero sum game or that informed, knowledgeable, skilled and critical communities can make the development of policy and service delivery much more sensitive and, in the long run, more effective and indeed cost-efficient.

Fourthly, the evidence suggests that it is possible to identify clear external and internal factors which can promote or block the development of CCB. Positive internal factors include issues such as levels of leadership, knowledge, skills and real community control over resources. External blockages include the reluctance of powerful partners to cede control over resources, to take risks, to allow long developmental approaches to function properly, or even to take local community agendas seriously.

Finally, work is beginning to be undertaken to measure the effectiveness of CCB. This work is at an early stage, mirroring debates about the evaluation of community development work or empowerment more generally, but some projects and research studies have identified indicators of success which go beyond crude outputs to thinking about longer-term outcomes and impacts. In CCB also, the issue of process is critical as much community learning goes on through the process of CCB, or community development, and this learning is critical for ensuring that the gains of CCB are sustained over time.

Why is community capacity building relevant to social policy?

The relevance of community capacity building to social policy derives from interwoven strands of thought (Casswell, 2001). These include a growing distrust of the role of experts in central planning, an increased emphasis on the question of process rather than goals, an interest in the role of social capital and its relationship with social policy, and neo-liberal suspicion of central government intervention in people's lives all of which have contributed to the generation of community-based responses to social problems. Although community as a site of political action is problematic, because it often cannot address structural causes of communities' difficulties (CDPIIU, 1977b), "there

is widespread acknowledgment that, unless there is a capacity to identify and address social and health issues at the community level, central government's social policy initiatives will be ineffective" (DCLG, 2008).

Given the linguistic confusion surrounding the use of the term CCB it is important to identify those projects and examples which most closely accord to the definition of community development adopted by the Budapest Declaration (as outlined in the previous chapter). Furthermore, it is necessary to focus on the extent to which the work being examined can be said to support the development of skills, knowledge and other capacities in members of deprived communities to enable them to take greater control of their lives, particularly given that CCB is generally assumed to operate in relation to the most disadvantaged communities, including socially excluded communities, Black, minority ethnic and indigenous/First Nations groups (Chouhan and Lusane, 2004; CLES, 2002, Taylor, 2003; Rafelito and Wallerstein, 2004). Where "top-down" initiatives are involved, it will, conversely, be important to understand what the agendas of the relevant agencies are and how they accord with those of the communities whose capacity is said to be being built.

Whilst this review draws primarily on evidence from OECD countries, it is worth noting that the term CCB is now in use worldwide, despite the difficulties involved in translation from anglophone cultures to cultures based in other linguistic and political traditions. For example, it is used to describe reconstruction work in Cambodia, following the removal of the Khmer Rouge (White, 2006), and the encouragement of citizen participation in post-apartheid South Africa (Williams, 2006). In Mexico, a programme of rehabilitation for women in jail and their children is characterised as CCB: it "aims to enhance the comprehensive development of convicted women through training in economic activities, improves the living conditions of their children who live with them, and encourages family integration, with scholarships, psychological and health support for those who live outside."[1] Another Mexican CCB project is represented in the reformed planning system (COPLADEMUN) introduced in the municipality of Yecapixtla, close to Mexico City, where "community representatives have a major role in the decision-making process regarding local development". This process has replaced a moribund "top-down" planning system, encouraging local community participation in a range of planning procedures, including – through a participatory budgeting process – determining guidelines for the distribution of funds transferred from federal level to fund social infrastructure.

The role of government in community capacity building

For CCB, the policy context is extremely important; this will become clear when differing national and social policy contexts are examined. Frequently,

the language used can obscure what is actually happening on the ground. Many communities, which have been the object of "top-down" (*i.e.* government-driven) capacity building initiatives, experienced them as delivery of government agendas. This is far removed from the expressed views or needs of the communities themselves. Such criticism recurs frequently in this review of social policies. Programmes have also been delivered under "labels" other than CCB, and this variety of terminology has continued to expand. Thus, examples of CCB have been alternatively presented as:

- community engagement (Clear Plan UK, 2008);
- community empowerment (Clarke, 2005);
- community participation (Williams, 2006);
- community or popular involvement (Beaumont, 2003);
- civil renewal (Home Office, 2004);
- public participation (Burton, 2004);
- user participation (Simmons and Birchall, 2005);
- community building (Hughes, 2004);
- inclusive citizenship (Lister, 2007);
- developing community strengths (Skinner and Wilson, 2002);
- promoting community voice (Oakman and Smart Consultancy [Scotland] Ltd., 2007);
- community planning (Isaacs, 2006); and,
- community protest (Mooney and Fyfe, 2006).

Yet further descriptors have been used in the context of specific social policy areas. Whatever label is applied, it is important to focus on what, if any, sort of participation, is actually taking place. Arnstein's well-cited "ladder of participation" located differing forms of engagement between those holding power (governments, housing departments, health bodies and so on) and those who were the subject of policy interventions. The steps on the ladder of participation range from the least engaged, where communities might have no contact whatsoever with the processes of decision making that affect them, through forms of tokenistic participation, to joint forms of decision making and on up to situations where the community might have complete control over particular decisions (Arnstein, 1969). This remains a useful framework against which to judge forms of CCB-led participation.

Arguably, the term CCB has become distorted, particularly in its use by governments, as a result of programme goals which had little commitment to community empowerment, or even meaningful participation. This issue is particularly pertinent critical in relation to the most marginalised communities, such as indigenous peoples, Roma and gypsies. In these cases, many

governmental CCB approaches appeared to assume that such communities had no capacity of their own. From a general view of "indigenous community capacity building", Taylor (2003) argues that its meaning has indeed become corrupted and needs to be understood in the context of self-governance. Indeed, for Taylor CCB should be directed towards:

1. "more properly considered and more effective public policy;
2. [the] development of culturally appropriate and effective models of self-governance for indigenous … institutions;
3. greater potential for more indigenous peoples to have the capacity to influence positive change in their lives; and,
4. greater potential for [them] to expect and enjoy a better, healthier and more prosperous future."

There is, therefore, a need for those employing the term to commit to the legitimacy and primacy of community ownership, decision making and action, i.*e.* indigenous self-determination.

A concern is that much governmental language about community CCB, empowerment and so on now focuses on a version of empowerment which is about individual empowerment and the creation of "active citizenship" (DCLG, 2008) rather than about collective empowerment and developing the strengths of communities. This critique has been advanced strongly from a number of perspectives, including from the co-operative movement, for example, which argues from long historical experience that "as well as being 'members of a local community' people are in other roles – workers, tenants, users of financial services, which they can also be empowered to own and use through co-operation" (Co-operatives UK, 2008).

Despite criticism of governments hijacking the language and value base of CCB, there are those who argue that government can have a strong role in delivering CCB. Cavaye, reviewing the early CCB literature, recognises that government "top-down" approaches can limit community networks and self-reliance, overwhelm local organisations and leadership, lead working class groups into incorporation and impotence, and ravage existing social networks. He argues, nonetheless, that government needs to move beyond technical assistance programmes and traditional strategies of service and delivery, being well-placed to facilitate community capacity: indeed, "the processes of community engagement, partnership and facilitation could be considered as part of the 'service' provided by government" (Cavaye, 1998).

The next section examines CCB in a health context, where it is important to remember that health "communities" are not necessarily characterised by geographic proximity (although some small geographical communities may

relate to a single health provider) but in terms of the common relationship which health users have to health service providers.

The healthcare context: Major trends

Some general comments are appropriate regarding the political context in which healthcare is being delivered within OECD countries as a whole. The analysis below draws heavily on the UK policy context but the general trends and tensions reported, notably between public and private healthcare provision, apply within the healthcare systems of most OECD countries. First, across the "western" world, all welfare states have been under growing pressure to reduce public expenditure, particularly on what is often perceived to be non-productive welfare spending – housing, health, education and so on. This pressure has come from increasingly global economic market forces, the power of major corporations and the growing role of international agencies, such as the World Bank, which can influence national spending regimes, and will increase as a result of the current global fiscal crisis. The way in which governments respond to these pressures depends on a number of factors, including its ideological predisposition towards welfare provision as a whole, but "there is no consistent convergence towards a single model of state welfare support and no subsequent 'race to the bottom' to reduce commitments in the face of recent pressures of global economic change" (Alcock and Craig, 2009). Nevertheless, whilst the levelling down, predicted by many, is not happening, there remains severe downward pressure to contain public expenditure in most OECD countries. This often results in demands to outsource provision either to private agencies which claim to deliver public services at a cheaper price (claims often questionable in practice) or to the Third Sector, which purports both to deliver more cheaply and in a way which is more sensitive to health consumers' needs. Whilst some governments have resisted these pressures, at least in respect of health and education spending, there are indications that recent relative increases in spending in these areas may now be slowing substantially.

Secondly, whilst increased spending, where it has happened, has produced increased capacity in many health systems (notwithstanding widespread complaints that increased capacity has consisted rather more of health administrators and less of health professionals), it is often accompanied by a process of what governments have referred to as "modernisation", associated most strongly with "Third Way" social democratic governments (Secretary of State for Health, 1997). This modernisation process has been criticised as enhancing the tendency towards the scientific-bureaucratic model of medicine, with increased forms of clinical governance and "arm's-length" regulatory bodies, in such a way that ordinary health service users have had little direct opportunity to exercise "community" control over service delivery (Harrison,

2002). The UK government dismantled the strongest community health participation mechanism – the community health council – replacing it with weaker patient advisory, liaison and involvement structures, which have been considered to be little more than a token form of public involvement (Callaghan and Wistow, 2002; Callaghan and Wistow, 2006).

Thirdly, and contradictorily, there has been increased demand for "user involvement" in healthcare delivery, such as through the organisation of groups of service users. These organisations participate in the planning or even the management of health services. In part this pressure has arisen in response to increased awareness, including within governments, concerned at falling levels of voting and of reported levels of trust in government, of what is called the democratic deficit and the need for mechanisms and structures which could enhance active citizenship and democratic life. Within the context of health services, this has been characterised by a process of formal consultation which appears to place government in a more "listening" mode (Department of Health, 2001). Within the New Zealand context, this is described as re-territorialising health governance, where there is also recognition of the need for greater user ("community") input and for development work to support its expression (Craig, 2005). From governments' point of view, the need for "user involvement" has been accepted in many quarters as leading to improved trust and communication, thus reducing levels of conflict and discord, "smoothing" the process of implementation (Simmons and Birchall, 2005). This stance is viewed cynically by many commentators as "a technology of legitimation" (Harrison and Mort, 1998; Harrison, Dowswell and Milewa, 2002). It is a highly managed means for co-opting service users (through careful structuring of panels, public consultative processes, advisory groups with constrained roles and limited access to information) into a policy process which is still driven "top-down" by government, or by its health service bureaucrats, to legitimate management decisions, rather than responding openly to the demands of service users. However, the results reported by the evaluations of many initiatives in this field, for example of the UK government's recent Health Action Zones programmes (Albert *et al.,* 2000), do little to challenge the feeling of mistrust which, ironically, results from these recent government experiments in participation and involvement.

Addressing the needs of the underserved

Arguably, the traditional model of public policy making has done little for the underserved and most disadvantaged communities. In relation to health issues, communities need to exercise more control over the policy-making process and policy makers need to learn how to work with communities more effectively. Without this, social policies ultimately will fail. In relation to health inequalities in particular, the Aspen Institute argues that CCB is essential for

tackling the root causes of health disparities. Citing troubling socio-economic indicators, including racial discrimination in housing, poor schools and educational achievement, within and between neighbourhoods in the USA, it notes that many public health practitioners have failed to generate "progress in core health measures for our most socially, politically and economically marginalised populations … [because] … public health has still ignored issues of power and its skewed distribution through society" (Iton, 2006). CCB, with an emphasis on empowerment of deprived communities, can bring these public health practitioners face-to-face with these power disparities. Indeed, the question of disparities in power between government and communities is a recurring theme in the social policy literature. In this sense, public health is a social justice enterprise.

It is worth noting that in many countries where market solutions to social and economic difficulties have been prioritised, this has led to widening health inequalities both in terms of health outcomes and access to health services. As the Irish Combat Poverty Agency notes, "inequalities in health are often compounded by inequalities in access to healthcare" (Crowley, 2005). Capacity building in relation to health issues can be seen as an important contributor to a wider attack on inequality. In these cases, community participation in health programmes is one means by which the health and well being of people in disadvantaged communities can be improved. In the UK, a series of briefing papers produced by the Race Equality Foundation has shown how minority ethnic groups suffer poor health outcomes and how these communities can be supported through community development approaches to improve these outcomes (Chau, 2008).

CCB has been a popular mode of intervention to underpin work on health promotion. One review argues that CCB "is part of a long-standing health promotion tradition involving community action in health promotion" (Raeburn *et al*., 2006). This analyses a range of health initiatives, arguing that the term community development should be retained where the development of competencies and a stress on social relationships are given equal weighting in health promotion work. It contrasts the notions of empowerment and "bottom-up" development to the common (clinical) medical approaches situated within paradigms of disease and deficiency and reviews attempts to "break down CCB into operational components". The variety of contexts studied include work to combat river blindness in Nigeria, participatory budgeting in Brazil, community health development in rural Honduras, community well-being Community Houses in New Zealand, and the development of sustainable agriculture in Thailand. A second review supports this position, suggesting that CCB occupies the same "social space" as community development, community empowerment, social capital and social cohesion, which all describe "elements of people's day-to-day relationships, conditioned and constrained by economic

and political practices, that are important determinants of the quality of their lives, and of communities' health functioning" (Labonte and Laverack, 2001a). CCB is said to be important in the context of health promotion as both means (processes) and ends (outcomes).

Given that health is one of the most basic human rights, it is not surprising to find that many development projects in the south (so-called "developing" countries) are focused around health issues. Typically, these are badged as capacity building for health promotion and usually focus on building the capacity of communities where health indicators are poor although, capacity building sometimes is used to apply to the goal of building the capacity of organisations to deliver health services. The most radical CCB approach – like the structural analysis underlying community development – challenges the pathological model of poverty and deprivation, arguing that inequalities are overwhelmingly the result of structural and systemic factors, rather than of individual malfunctioning. Similarly, in the health context, most authors argue that CCB addresses structurally-generated inequalities in health outcomes (BC Healthy Communities, 2006): this challenges those (usually clinicians) who work from a position shaped by the notions of disease, and individual and community deficiency. Again caution is necessary in relation to language. Many health programmes are badged as having a community development orientation but are predominantly "top-down" health interventions.

As noted, the CCB approach also lends itself to viewing communities holistically, with different sectoral issues intertwined; this tends to mean that the strongest examples of CCB in health are to be found in the primary healthcare sector where interventions can be made at the community level, typically to respond to poor health conditions in deprived communities. A UK project, whilst focused primarily on housing conditions, also undertakes CCB in both regeneration work and in health promotion, working with local residents to develop healthy lifestyles.[2] Another cross-sectoral project involves a public health advocacy campaign emerging from transportation concerns. Here, the local community was concerned about increased volumes of heavy industrial traffic through a small western Australian city. Immediate issues related to traffic accidents, road congestion, noise and atmospheric pollution. A community alliance campaigned through public meetings, petitions, fact sheets and other techniques for goods to be carried by rail instead of road. As a result, some companies shifted their traffic to rail and a feasibility study was initiated for an inland port (Gomm *et al.*, 2006).

Enabling user involvement

The issue of choice and user involvement in decision making has become the subject of fierce political debate about the delivery of healthcare (and other services). However, this consistently overlooks the fact that real choices

are limited for most healthcare users. "The more services become personalised, the more public resources will have to be skewed towards the less well-off, in order to equalise opportunities" (Craig, 2003a). Alongside this critique, a wider analysis of "top-down" CCB in the context of cuts in public expenditure has been reasserted in relation to health and other public services, that "community capacity building and empowerment has been particularly valued, from a market-orientated perspective, for its potential contribution to enhanced cost-effectiveness, promoting economic development and filling the potential gaps that might otherwise emerge in the provision of services as the local state has been rolled back" (Mayo and Anastacio, 1999). In short, privatisation is in conflict with the goals of CCB. Other commentators echo the critique of the hijacking of the CCB agenda by governments, suggesting that, in both health and other policy areas, whilst local activists have made some gains in shaping national policy and in the creation of local services more responsive to the health needs of particularly marginalised communities, they are open to co-option and manipulation by government (Bridgen, 2004).

Policy context is particularly significant in understanding the role of capacity building in healthcare. This covers not only care within the acute sector (*i.e.* in hospitals), but also in community settings (delivered by government or privately funded primary healthcare professionals such as community physicians, midwives and nurses), in so-called community or social care programmes, in public health programmes, or in residential and nursing care settings. Clearly, this encompasses differing population groups, such as older people, young people, children, women, people with disabilities, people with mental health difficulties, those from minorities, and indigenous groups. The language deployed may again be confusing: those using health services are variously referred to as users or service users, patients, health consumers or simply consumers. Here, the term "service user" covers all these formulations. However, it is important to note that the term "users" may also cover a range of different perspectives and levels of involvement in decision making. For example, Beresford and Croft distinguish between "consumerism" and "democracy", between the question of an individual health user's needs and those of health users as a "community":

- Users as consumers – focus on matters such as information about services, market research, needs assessment, evaluation of services, complaints procedures and so forth.
- Users as citizens – focus on participation and representation in formal and informal decision making (Beresford and Croft, 1993).

In part, user involvement/participation in health services has come about as a result of political struggle by service users, such as mental health users, those with disabilities, and older people, whose needs have historically been

marginalised within healthcare systems. These have now formed effective "bottom-up" organisations demanding equal rights, including access to healthcare and representation in shaping policy and practice, with the wider constituency of service users. Such groups, often building highly effective alliances and partnerships (Baggott, Allsop and Jones, 2004) with other groups of service users and with sympathetic health professionals, have also rejected the notion of individual choice as simply favouring the better-off, arguing that the needs of their whole constituency have to be addressed. These groups have "placed questions of inequality and power at the centre of [their] analysis of the distribution of resources in the health field, and sought to enhance local social and political relationships to improve the access of the least advantaged to these resources" (Young, 2000). In their view, the struggle to make health services sensitive to the needs of its most marginalised users, and the process of capacity building which facilitates that struggle – critically a "bottom-up" process – is every bit as important as the wider struggle to make health services more accountable to its users as a whole (Beresford, 2001).

In the territory of health, however, this becomes particularly problematic because of the power vested in medical professionals, particularly clinicians, and of their resistance to perspectives on health which are more socially, rather than medically-oriented. Achieving change is also particularly difficult within more institutionalised forms of healthcare – such as hospitals and residential care settings – where professionals' power is most marked. Hardly surprisingly, most of the accounts of effective CCB are therefore reported from "community" settings outside formal institutional settings.

The professional ideology, particularly pertinent, though not exclusive, to the practice of clinical medicine, has been the focus of increasing challenges over the past twenty years. Such challenges have been associated with the growth of the disability movement which has sought to establish an emancipatory account of disability (Oliver, 1990; Campbell and Oliver, 1996; Barker and Peck, 1996; Priestley, 2002; Beresford, Harrison and Wilson, 2002; Drake, 2002; Barnes and Mercer, 2003) rather than one which colludes in wider attempts by the state to regulate individual behaviour (Foucault, 1977). Examples of the struggles of such groups are now common in the literature and demonstrate that, even in the most difficult of circumstances, self-help groups have managed to build the capacity to challenge their marginalisation in health systems. Arguing not only for more sensitive and more responsive forms of service delivery but also taking on the most difficult and demanding roles in relation to health service delivery and in a wide range of health settings (Wistow, 2002; Kendall and Harker, 2002). A number of examples are shown in Boxes 2.1 and 2.2.

Box 2.1. **Health users taking control: Mental health work through different approaches**

- A mental health forum in the UK, challenged both forms of service treatment and broader understandings of the origins and nature of mental distress (Hodge, 2005). Professionals in the forum refused to accept that these were legitimate areas for discussion within a forum involving mental health service users, their opposition serving "ultimately to reinforce existing institutionally-defined power relations" (Hodge, 2005).
- A Canadian mental health promotion forum which, responding to youth suicide, developed a community helpers programme. This programme also argued that community capacity relates to the assets that already exist within a community and that "communities are never built from the top down or outside in" (Kretzman and McKnight, 1993). The programme emerged from the suicides of four young people, in rapid succession, and sought, by means of community development techniques, to create a network of community helpers, including peers of the young people themselves, to be available as trained mentors for other young people. Funding was secured from the municipality, and from provincial and other sources (Health Canada, 2003).
- One project in the UK sought to involve mental health service users in quality assurance. Service users at a day centre were involved in two types of quality inspection, one involving a traditional inspection-type event, the other an inclusive collaborative process two years later. Users were involved in the process from the outset and, for example, in the construction of a questionnaire in the second mode. The comparison between the two demonstrated how alienated users felt from the first event which was seen as simply satisfying regulatory processes with a report to the Management Board, whereas the second led to a much lengthier process and a wider range of outcomes including enhanced confidence and self-esteem amongst the users (Weinstein, 2006).
- The UK government recently developed a programme for the employment of community development workers specifically to work on issues of mental health with Black and minority ethnic communities. The programme will employ up to about 600 community development workers in a variety of settings (including by local authorities and Third Sector agencies) and with differing minority groups, dependent on the local context.* These build on the experience of a limited range of projects which have attempted to "hear the voices" of service users from Black and minority ethnic backgrounds and to build their capacity to argue their own case (Nazroo, 2006; Johnson, 1998).

* For further information see *www.newwaysofworking.org.uk*

Box 2.2. **Health users taking control: Community health issues tackled in different ways**

- Older people have been involved in the UK in health and social care projects aimed at shaping policy and practice. Brought in from the start of many projects, one participant commented that "you've invited us in before you've set the goalposts". They also acted as researchers, interviewers and members of advisory groups, challenging the two opposing models of older people either as passive recipients of services or as heroic people competing with younger ones. Here, major barriers to older people participating effectively, apart from their own physical and, at times, psychosocial limitations, were widespread external perceptions of them as vulnerable, burdensome and a problem to be solved rather than the source of experience, creativity and knowledge, and the consequent lack of resources committed to enabling them to participate more fully in developing policy and services for themselves (JRF, 2004; Hardy, Young and Wistow, 2001).
- In a project which spans issues to do with both housing and health, Keyring (UK) builds mini-communities or networks of people with learning disabilities and supports them with structures and processes that help people make the best of their own abilities, share these skills and build links with the local community. The model is seen as a modern "take" on the good neighbour concept. But, it is a high risk strategy for people who are still suffering the effects of long-term institutionalisation. It is regarded by many as a model of good practice for the integration of some of the most excluded people back into community life: it obviously raises questions about the meaning attached to "community" in this context but project staff define their work as capacity building amongst their community of users (*www.keyring.org*).
- A project in a deprived multi-ethnic inner city area in Mexico sought to build capacity amongst older people. This used the techniques of health promotion, including spectacular events, visuals and narrative as ways to provide information, thus increasing health awareness and ownership, with projects (such as a Diabetes Fair) focused on specific ailments or population groups, and events targeted at specific minorities. The project has placed substantial emphasis on continuous outreach work and encourages relationships between professionals and "patients" to foster patient expertise. A variant on this is the work of some London Libraries which, through a "Skilled for Health" training programme, developed courses for people with poor language, literacy or numeracy skills who were likely to be at risk of poor health, from within the relatively "safety" of local libraries (MLA, 2008).

Box 2.2. **Health users taking control: Community health issues tackled in different ways** *(cont.)*

- Research into young people's participation in decision making around road safety issues in an inner city area in the UK with a high rate of deaths and injuries from road traffic accidents found that early involvement of young people in engineering plans for their local community, led to a substantial reduction in accidents. Young people, however, supported by community development workers operating within the framework of the UN Convention on the Rights of the Child (1989) experienced severe barriers to their participation including most of all the attitudes and working practices of adults and their rigid adherence to processes and practices which were alienating for young people (Kimberlee, 2008).
- In Scotland, which has very poor health indicators, a series of projects has been established to tackle health inequalities from community bases. Typical of these are projects in Dundee and North Lanarkshire, created from an identification of needs by local community groups (*www.chex.org.uk*). One community health programme links housing conditions and health outcomes in 14 different Glasgow communities. This is a research and learning programme, investigating the impact of investment in housing, regeneration and neighbourhood renewal on the health and well being of individuals, families and communities over a ten year period. This was originally a "top-down" initiative, driven by a partnership body at a high level of governance, but there is increasing local consultation in the communities studied which are both shaping health policy agendas and providing important lessons for external partners on how to make best use of community engagement (*www.gowellonline.com*).

Development of indicators

The most prominent transnational programme building community capacity in a health context has been the Healthy Cities Initiative (HCI), established in 1986 by the World Health Organisation. It has since become an international movement with several thousand communities, health users within defined geographical contexts, participating worldwide. The most challenging methodological issues have concerned how indicators of improvement can be assessed and how local communities themselves can be engaged in determining these indicators. One review of HCI argues that the best forms of evaluation have emerged where the knowledge and skills of local communities and those of external evaluators have been combined, through negotiation, to define the process of evaluation. Throughout the development of the movement, evaluation has thus moved away from using a proscribed

"top-down" set of (often quantitative) indicators, which at one point numbered several hundred, and has moved towards more qualitative measures, including an understanding of process, and of the nature of empowerment. In turn, this led to the development of toolkits and guidebooks enabling local communities to self-evaluate their own HCIs (O'Neill and Simard, 2006).

This links to more general debates about the evaluation of community development which privilege a focus on qualitative measures, process and outcomes, rather than quantitative measures alone, usually expressed as inputs, targets and outputs. It situates the measurement of empowerment, or the evaluation of community development as much a political task, about control of agendas defining needs and resources, as it is a technological one (Littlejohns and Thompson, 2001; Carr, 2007; Health Promotion Clearing House, n.d.). The search for appropriate indicators of health outcomes, and appropriate methods for defining them in a CCB context remains key. It is essentially a political struggle for control of ideas and processes between those delivering services and those receiving them, *i.e.* a struggle about who defines needs and how they are met.

Several studies have reported results from investigations into the development of appropriate measures of community capacity (Maclellan-Wright *et al.*, 2007) such as the development of community indicators in a Healthy Communities Initiative in Canada (Smith *et al.*, 2008). If, as has been asserted, community capacity is essentially a measure of the assets which a community has (but is perhaps not exploiting), then these measures can be helpful in establishing what kind of developmental intervention might be helpful to build a "healthy" community (Hounslow, 2002). In one study, formal Healthy Communities Initiative indicators were rejected by communities as of no relevance to their situations, preferring instead to develop measures of success which were informal or experiential in nature. This underlines the need for CCB initiatives to engage with communities from the outset, including around the development of measures of success, according with the development of evaluative tools for community development work more generally (Craig, 2003b).

Country case studies

The United Kingdom

A number of national and transnational programmes have been established which have involved work targeted at deprived communities within cities or indeed at cities themselves, and which have had CCB or community development as explicit methods built into their programmatic frameworks. An example of the former is the Health Action Zone (HAZ) programme initiated by the UK government in 1997, to both modernise healthcare and reduce health inequalities in the most disadvantaged areas of England (usually discrete sub-

areas within specific urban settings). Most of the 26 individual HAZ programmes employed community health or community development workers. An evaluation of this work suggested that "community engagement was a key feature of the new ways of working that were developed and which started to contribute to improved health among those engage in health initiatives [and that] the experiential knowledge of community members was an important contribution to designing projects and developing strategies in many instances" (Bauld *et al.*, 2005). Ironically the programme was overtaken by a wider commitment from the UK government to address social exclusion in a more holistic way and the HAZ programme was terminated early. Although some activity survived the closure of the HAZ programme, much of the CCB work was flawed by a lack of community ownership, and it is widely seen as a lost opportunity for large-scale community-based action around healthcare delivery. Indeed, it has long been noted that government sponsorship of community development programmes has been associated with tensions about goals and ownership which has led on occasions to their closure or curtailment (Craig, 1989).

Although recent major planning and political documents regarding the UK NHS have stressed the need for a more patient-centred approach, "the government's policies in this area often appear contradictory and confusing" (Calman, Hunter and May, 2004). There is considerable doubt as to whether service user participation in many of the consultative fora into which they have been drawn have actually affected the quality and sensitivity of services as seen from their perspective (Carr, 2004). A review of service user participation observes, typically, that:

> The lack of organisational responsiveness and political commitment [from government and its health and social care agencies] is a critical issue. Difficulties with power relations were found to underlie the majority of identified problems with effective user-led change. Exclusionary structures, institutional practices and professional attitudes can affect the extent to which service users can influence change … power sharing can be difficult within established mainstream structures, formal consultation mechanisms and traditional ideologies (Carr, 2007).

This criticism is repeated in relation to the promotion of community involvement in other social programmes. Other research has shown how some health professionals have attempted to "reconceptualise the user in ways that draw on developments in professional conceptions of best practice, that respond to some of the challenges of user movements, and that acknowledge the need for legitimacy in the eyes of [individual] patients and [user] community" (Newman and Vidler, 2006).

Canada

Canadian experience also provides an interesting microcosm of the way in which contestations over the nature of CCB are emerging in the health literature. Health Canada commissioned-research analysed CCB "trends, identified issues and gaps and provided practice guidelines … to inform policy decisions related to community capacity building" (Crilly, 2003). This examined work with older people, and the development of early childhood health, concluding not only that there are no currently universally accepted definitions, processes or evaluation indicators for CCB, but that terminology was used inconsistently and often incorrectly (with practice often running counter to it). At the same time, reflecting how the term *is* used widely in Canadian health contexts, a Canadian community development organisation has produced guidance on aspects of CCB for health workers (Health Promotion Clearing House, n.d.). This includes a range of indicators to help with capacity building in health promotion and for measuring community capacity.

There is predictably a substantial literature describing CCB work with disadvantaged communities, including First Nations groups. Examples of this include the development of an interactive epidemiological manual specific to HIV/AIDs in conjunction with Canadian Aboriginal groups, to assist Aboriginal leaders in using HIV/AIDs epidemiology and surveillance data. Here, Aboriginal groups (First Nations, Inuit and Metis) helped to develop the manual which was then disseminated to workers and Aboriginal groups across Canada for use in HIV/AIDs prevention and health advocacy work (Albert *et al.*, 2000).

Australasia

In Australia, workers have developed programmes to tackle environmental health issues including rodent infestation, rubbish tipping, water quality monitoring and personal hygiene issues amongst indigenous Australians. Environmental health workers have adopted a new (for them) approach involving working in "bottom-up" partnerships with indigenous communities, seeking continuous input from them, maintaining good communication and networking and providing technical support and advice where necessary. The team also attempts to work laterally with other agencies, regarding work with these communities as everyone's responsibility (Australian Government, 2004). Similar work in New Zealand/Aotearoa with Maori groups acknowledges that the strong holistic relationship which Maori groups have with their environment may be undermined when the health promotion system is driven by "western" approaches and workforces oriented towards a fragmented approach to health protection. A scholarship and development programme has been initiated to ensure that more Maori public health workers can be employed in environmental health promotion work (Poole, 1997).

Rural populations have had great difficulty in accessing services of any kind, a difficulty exacerbated by recent tendencies in many countries to centralise the provision of many healthcare services. This problem is being addressed in Victoria, Australia, by a CCB programme which specifically aims to strengthen the ability of rural communities to access health funding. This programme works through targeting specific rural communities, developing an information kit, running workshops on funding bids, facilitating community consultations and providing ongoing support for local communities. The outcomes have been successful in generating funding for a range of new primary care posts and projects, including health promotion on diabetes and cardiovascular disease, injury prevention programmes, counselling and physiotherapy. As well as increasing the critical mass of primary healthcare staff and improving connections between them and local communities, the communities themselves, despite continuing difficulties, feel more in control of their own health agendas (McDonald, Brown and Murphy, 2002).

Women's Health Victoria (Australia) pursues CCB strategies for health promotion, working by both building its own organisational capacity (managing the statewide clearing house of women's health information) and the capacity of other groups, ensuring a strong gender dimension, through public forums, health advocacy, skills development and information resource development (*www.whv.org.au/capacity_building.htm*). The promotion of health services in south-eastern Sydney, New South Wales, has involved interventions such as the provision of small seeding grants; outreach staff working with parents to improve dental health in children; and tobacco cessation projects amongst indigenous communities. This project noted that because much of this work was invisible (as is often the way with community development interventions) it had not been officially recognised as significant. Appropriate outcome indicators would help in this process of gaining recognition (*www.health.nsw.gov.au*).

This has been echoed in other research, including from Finland. Community organisations noted that their work, even where it was not focused on health, "had a positive impact on the health and well-being of people living in the municipalities" (Simonsen-Rehn *et al.*, 2006). One way, this study argued, to conceptualise the ability to act is by examining the nature of community capacity. In line with other studies, they analysed a range of perspectives, concluding that the key dimensions of community capacity were to do with values, competencies, opportunities and municipality – the latter referring to the local (socio-political) context and thus to barriers which might obstruct participation. A wider range of dimensions of community capacity – participation, leadership, skills, values, resources, history, networks and sense of community – has also been identified (Goodman *et al.*, 1998).

Housing policy: A long history of community involvement

Definition and history of social housing

A common definition of social housing would be difficult to identify across the OECD, or even within just Europe as a whole. From the perspective of providers, social housing refers to the intervention of public authorities in providing and owning stock, and the existence of allocation procedures. From the perspective of those who occupy the housing, the key characteristic is generally their inability to be otherwise housed appropriately at a decent standard within the private market. Of central importance is therefore the nature of the relationship between often large bureaucratic housing providers and individual tenants, who have, historically, typically formed tenants' organisations to press for improvements of one kind or another. Whilst social housing has increasingly become stigmatised because owner-occupation has ideologically been defined as the "normal" housing tenure, it has a significant economic function, a point recently emphasised by the European Commission.[3] Social housing is associated not just with campaigns for improving the physical state of housing, but also with levels of social support for more vulnerable populations which private market provision regards as unprofitable. It also has a significant social function in the sense that it is often seen, at least rhetorically, as promoting the cohesion and integration of the most socially excluded. The literature reflects that state-sponsored social housing has had a much more prominent role within the UK historically than elsewhere.

Autonomous organisation and activity amongst tenants has a very long and often colourful pedigree; for example, during the First World War, tenants of private sector housing in Scotland and elsewhere campaigned against profiteering landlords at a time when many families were financially hard-pressed with the male breadwinner fighting away from home (Melling, 1983). These strikes led for the first time to rent control in the UK private sector. However, the focus for most tenant activity and capacity building has been within the public sector (including new and overspill towns built after the Second World War in many European countries to replace damaged, destroyed or dilapidated inner city housing of older urban areas). The government or local government-built and owned sector (and the social housing sector more widely, into which much public sector housing was later transferred) emerged as a significant housing provider throughout the twentieth century. The peak period for social housing was from the end of the First World War to the 1970s.

As community development emerged as a distinct practice in the post-Second World War period, it also largely focused on housing issues, helping to build tenants organisations which went on to agitate for improved building standards, repairs, maintenance and facilities, often creating federal bodies at local, regional and even national levels. The UK provides a good example of

these sorts of developments with squatting campaigns which occupied empty houses at a time of housing shortages in the late 1940s, the creation of the Association of London Housing Estates in 1957 (Craig, 1989), a huge range of tenant activity during the 1960s and 1970s as governments sought the marketisation of rent levels in the public sector, and the creation of a National Tenants Organisation (now known as TAROE) from the late 1970s onwards. In the late 1970s, the UK government published a handbook, *Getting Tenants Involved*, which argued for greater levels of tenant participation: this gave a boost to the number of tenant participation schemes, although the extent to which tenants were enabled fully to participate in key policy decisions remained questionable.

Recent trends in social housing

The proportion of so-called "council housing" relative to owner-occupied housing has been variable between differing countries. The UK had one of the highest levels of public sector housing[4] until the period from the 1980s when right-wing governments substantially reduced the level of public sector housing, by individual sell-offs, large-scale stock transfer to quasi-private companies, a moratorium on the building of social housing, and shifting government from a role as housing provider to housing enabler. Many tenants' campaigns around this period were in opposition to these trends (Mooney and Poole, 2005) and to the fact that the most vulnerable tenants may suffer disproportionately from the marketisation and commodification of housing. In many countries, the effects of these attacks on social housing have been to increase rents at a rate beyond the general rate of inflation. This led many tenants to experience difficulties, including affordability. In some western Europe countries, the recent crisis of affordability and availability of housing, has led to suggestions that social housing may now again have an enhanced role (Hills, 2007). This trend may be further accelerated by the impact of the worldwide credit crunch.

At the same time, there has been a growth in the number and variety of housing associations catering for specific population groups, including older people, people with disabilities and people from minority groups. Increasingly, housing associations are also addressing the housing needs of low-paid workers, such as key-workers (nurses, teachers, etc.), who have difficulty in accessing housing because of the pressure on house prices. Many of these are relatively small organisations, often with some degree of self-management. Within the general housing association movement, the growth of housing co-operatives has been important. Co-operatives, as legal associations formed for the purpose of providing housing to its members, who own and control them, require considerable levels of capacity amongst the "communities" which run them. The co-operative movement as a whole emerged in the early 19th century as a direct response to the detrimental impact of industrialisation both on workplaces and living conditions. It can be argued that housing co-operatives –

at their best – embody the principles of community engagement and even empowerment (Co-operatives UK, 2008) promoted by many governments. Some housing co-operatives argue that they offer opportunities for capacity building which may be key to the regeneration of cities (CHIBAH, 2006).

As social housing has increasingly tended to become the preserve of poorer and, not infrequently, less skilled or organised tenants, this has undercut their ability to maintain community organisations, with the sector as a whole becoming more stigmatised as a residual sector (Priemus and Dieleman, 2002). One common response to this has been to argue for the dispersal, rather than concentration of social housing tenants, to provide housing schemes with a social mix in terms of class, income and occupation. A range of case studies have been assembled in support of this argument, from across Europe, including Hungary, Scotland and Norway (Holt-Jensen, 2002). In Finland, a scheme to build non-profit rental housing has also focused on the need to ensure that there is a sustainable mix of tenants. Whilst it takes as tenants people with various difficulties, such as the homeless, it seeks also to ensure that there is always a balance within the scheme as a whole to avoid the unfavourable tendency to segregation (*www.syfo.fi*). The scheme is also structured to provide ongoing support for vulnerable tenants. The difficulty with this approach in relation to CCB is that the tenure mix also leads to the possibility of a fragmented community, with differing levels of apparent commitment to improvement programmes, making it much more difficult to adopt conventional community organising techniques.

Another aspect of the trend towards social "mixing" is reflected in the tendency towards the creation of "difficult-to-let" estates (as better housing has been sold off), increasingly filled by housing professionals with vulnerable people (those with criminal records, the homeless, drug takers, people with learning disabilities, etc.) who have little bargaining power in the housing marketplace (Allen and Sprigings, 2001). This poses particular difficulties for CCB but there is evidence of the ability to organise some of these most vulnerable people to participate in housing (and other) service delivery issues. In Denmark, a national interest organisation of homeless people has been formed after several years work at local and then national levels using a variety of techniques including radio projects, reach out work and fieldwork at night shelters. This organisation defines itself not as a protest organisation but as one which is concerned with self-help and voluntary work. It nevertheless has had considerable impact on social policy. A review of its work (Anker, 2008) argues that the general facilitative institutional framework in Denmark responds fairly openly to interest groups. Built on this growing interest in participatory practices more generally, and the support of progressive professionals, this has enhanced the prospect of the organisation surviving and having some effect. This might not have happened, it is argued, in a political context which

was more confrontational. These examples all demonstrate the need for CCB work in social housing schemes to adopt an increasingly more nuanced approach, recognising the disparate needs of a variety of population groups.

Examples of tenant participation

It is not possible to summarise this vast historical experience of participation in housing here (Melling, 1983; Merritt, 1979; Cooper and Hawtin, 1997; Goodlad, 2001; Shapley, 2008). Therefore more recent experiences will be briefly reviewed but it is important to see this in the context of more than one hundred years of tenant struggles for control over their housing conditions, a struggle which has now become institutionalised to a degree far greater than in the corresponding area of health. In many countries, the right of tenants to create organisations and to participate in policy debates about housing conditions is now in fact recognised as a basic right and government itself funds many tenants' organisations or research into their conditions.[5] For example, Scottish research (Communities Scotland, 2008) sought to assess the extent to which landlords have increased the opportunity for tenants to influence the decisions they take, under the terms of permissive legislation. Landlords appear to have taken a more formal approach to tenant participation but much more needs to be done to demonstrate clear policy influence (National Assembly for Wales, 2001). The formal interest of government brings with it the familiar fear that the agenda of tenants groups may be co-opted by government; and many commentators have challenged the commitment of governments to support meaningful participation (Somerville, 2004).

Tenant participation is "becoming an almost ubiquitous feature of the planning and provision of social housing [where] a range of opportunities has been (and is being) created by and for tenants to participate in the planning, provision and evaluation of housing services" (Simmons and Birchall, 2007). There remains, however, a perennial problem in getting more than a small core of tenants to participate, an issue which is also reviewed in the context of regeneration. Simmons and Birchall (2007) analyse the different forms which tenant participation has taken in the past years, focussing in particular on tenants associations, historically the most common form of organisation. They see the role of such organisations as "a bulwark against either the perceived paternalism or perceived commercialism of their social landlord". Less common, but of increasing importance have been tenant management organisations, which have taken on devolved powers from their landlords for certain budgetary and management functions. Other research cites key factors promoting tenant participation; these are when providers:

- "accept tenants as both equals and a valuable resource right from the start;
- develop with tenants a structure of decision making;

- ensure that tenants have the time they need for consultation and discussion within the community;
- give tenants accurate and honest information, and ensure that everything is made clear …; and,
- fund the tenants" (Kelly and Clarke, 1997).

Both in terms of ideological stance and the preparedness to make resources available to tenants, few social landlords match this overall standard. Thinking about why tenants themselves want to participate, it is important to distinguish between broader agitational issues and more everyday activities such as improving services and facilities; and writers suggest participation can be motivated by three variables – shared goals, values and a sense of community. Resources, including time, can be critical; "working at different links" in what Kelly and Clarke call the "Participation Chain" – a detailed framework for understanding what makes individual tenants participate – can highlight factors affecting whether or not tenants participate.

The United Kingdom

Reflecting the long history of social housing in the UK, an infrastructure has developed to support tenant participation. There are now national experienced arm's-length bodies which provide support and advice to tenants' organisations such as the Tenant Information Service (*www.tis.org.uk*) and the Tenant Participation Advisory Service (*www.tpasscotland.org.uk*). As a further example of how tenant participation has become incorporated into formal housing policy structures, the UK Chartered Institute of Housing, which regulates qualifications for housing officers, includes a module on tenant participation in professional training. The UK government has also invested in an "innovative and practical capacity building programme of residential training linked to follow-up small grants, for social housing tenants" (Beck and Richardson, 2004). This concluded that there would be a continuing need for funding to support tenant participation and CCB and that housing was often the starting point for much organised activity in low income areas. The programme took place at a venue, Trafford Hall, which had been created specifically to provide training for social housing tenants, which is partly funded by the government and offers support to those working in low-income communities. In the UK, the recent establishment of National Tenant Voice, a government-funded body which aims to represent tenants interests at a national level, is moving in the same direction but has yet to establish a firm reputation for independence. Alongside a potential government commitment to building enhanced levels of social housing, this may enhance both the power of tenants in decision making at a national level, and challenge the marginalised status of social housing.

Another analysis of approaches to tenant participation (Hickman, 2006) identified three major local authority responses which have evolved in the English context: traditional, consumer and citizenship, the latter involving the empowerment of tenants. It was suggested that most local authorities were committed to the traditional approach to tenant participation. Local councils essentially remained in control of power in their relationships with tenants, even to the point of determining which questions were to be asked at public meetings. An increasing number (perhaps a majority by the late 1990s) were pursuing the consumerist approach, wherein the local authority's relationship with (individual) tenants focused on the delivery of services. Only a very small minority were concerned to pursue the citizenship or empowering approach and, even here, landlords appeared to want to retain control over the participation process. A very fluid and dynamic policy context has meant that the issue of participation has become much more complex. Nevertheless there remains little evidence of the willingness of social landlords to encourage full-scale participation of the kind outlined above. Despite years of legislation, and of campaigning by tenants, the level of *strategic* tenant participation has changed little. Most tenant consultation and participation throughout the 20th century is characterised by a "top-down" approach with "little meaningful reference to the tenant" (McDonald, Brown and Murphy, 2002).

The dismantling of the social housing sector has led to both enhanced campaigns from tenants for its protection but also an undermining of the sense of solidarity amongst tenants. Capacity building amongst remaining tenants has thus faced increasing difficulties. Housing Action Trusts (HATs) were essentially a UK form of regeneration, but targeted on deprived social housing areas at a time when central and local government were in conflict. The Trusts were seen by many as a means by which right-wing governments attempted to undermine the ideology of social housing by transferring, with the support of private sector finance, ownership of large housing estates to individual tenants. In many areas, tenants actively campaigned against transfer to the private sector, forcing government to create mechanisms for tenant involvement in the process of regenerating the estates and for ongoing involvement in advisory or management boards. In some HATs, a fully-fledged community development team was appointed to work with tenants. Nevertheless, familiar problems were apparent, such as lack of consultation or an over-rapid pace of change, and external organisational barriers included changes in funding and policy regimes. A shift in the role of HATs from service delivery to quality assurance created confusion and further difficulties for tenants attempting to steer policy on the ground (Hull, 2008).

Western Europe

As noted earlier, across western Europe, the proportion of housing within the social sector has declined albeit from differing baselines, with most governments committed ideologically to owner-occupation. The 1980s UK "Right to Buy" legislation saw the transfer of millions of the best council-owned housing to sitting tenants, and the Netherlands government indicated recently that it wished to transfer more than half a million units over a ten-year period to prospective home-owners. In eastern Europe, of course, state housing provision was the norm although most east and central European countries are now pursuing more market-led housing strategies, again emphasising owner-occupation.[6] At the same time, the opening up of the social sector has meant that new community development organisations – often initially supported by external philanthropic funding following the removal of the Berlin Wall – are becoming a feature of the local landscape, able to press for housing improvements for tenants in general (see, for example, for Hungary *www.kka.hu*).

Elsewhere in Scandinavia, public sector housing is not seen as a residual form only for those with no market or social power to buy into home ownership. Sweden and Denmark are regarded by some as "the only two countries in Europe where tenants can truly access public housing" (Brandon, 2008). In Sweden, the national tenants union – essentially an organisation for the community of tenants – negotiates rents on behalf of all tenants (with municipal rents being used as a baseline for setting private rents). Sweden and Germany are regarded as models of tenant involvement across Europe in this respect.

A different approach to tenant empowerment, or capacity building, has been pursued within the Netherlands. Despite the government's drive to sell off much social housing, there is also a recognition that many low income people are likely to remain within the sector. Faced with this tension, one association has developed a client's choice programme, experimenting with different forms of tenure, including traditional rent contracts, fixed-term fixed rent contracts, fixed rent increase contracts, socially-bound ownership and ownership with a buy-back option, thus offering a much greater degree of flexibility between renting and owning (Gruis *et al.*, 2005). This demonstrated that, where tenants were able to bring financial assets to bear, financial arguments were far more important than empowerment issues for individual tenants.

Australia

Housing trends in Australasia have tended to mirror those in western Europe, and the UK in particular. Thus, there has been a substantial public housing sector but local government (in the Australian case at the State level) has also attempted to divest itself of much of its housing stock over the past

years. State housing has also been subject to national legislation promoting tenant participation, for example the 1983 Australian Housing Act which sought "the participation of tenants and other community groups in the management of public housing and non-trading co-operatives engaged in the provision of rental housing to their members" and to promote consultation. There has been a move since the late 1970s towards what are called community housing organisations (roughly equivalent to UK housing associations), bodies which, it was claimed, would address the problems of state-run housing, *e.g.* that it was "bureaucratic, resistant to change and offered limited consumer choice" (Gilmour and Bourke, 2008). Community housing was said to be more flexible, both in response to community needs and to groups with particular special needs. With the vagaries of state and federal housing policy, the outcome has been a "complex set of organisations [which is] eclectic and diverse" and with the sector dominated by a small number of very large housing organisations (Gilmour and Bourke, 2008). There has been relatively less debate about tenant participation or CCB within this sector in Australia. Some states (*e.g.* New South Wales) offer small grants schemes to promote tenant participation, including in environmental sustainability (Housing NSW, 2007). The key problem at present appears to be to do with organisational capacity building and the management of risk.

In most Australian States, there has however been more general investment in tenant participation and substantial "top-down" work. Victoria, for example, has been involved in the creation of a statewide peak organisation, the Victorian Public Tenants Association, one form of CCB. The Victorian Office of Housing has provided training, convened regional tenant forums, offered information on housing policy, provided development work to help build tenants groups, and provided support to groups on an ongoing basis: the effectiveness of this work has yet to be assessed. In states where there is a significant Aboriginal and Torres Strait Island population (Western Australia, Northern Territory and Queensland), special housing schemes are developed for indigenous people. These not only provide support for tenant participation but also to support indigenous tenants to enable them to "participate in activities with other tenants and the community that enhances their resilience" (*www.housing.qld.gov.au*).

In Sydney, again demonstrating the cross-over between health and housing conditions, resident groups have been supported by health bodies to enhance the community's competence to solve health problems. Key factors for individual participants were seen "in efforts to reduce costs, increase benefits and increase the satisfaction of group members with group processes. Training, for example, to help members acquire the skills necessary to participate in decision making may be perceived by members as a benefit associated with participation and also increase satisfaction with group processes" (Butler, Rissel and Khavarpour, 1999). This study also argues that community participation is an important

principle of community health although this tends to focus on individual rather than community outcomes.

Researchers in Tasmania provide a strategic view of CCB within the housing sector. They argue that CCB is distinguishable from community development in that CCB strategies are often "devised by organisations outside those communities, even if the ethos is still ultimately to try and build skills and coping abilities within communities. CCB also differs, in their view, from the community development model in that *all* communities are perceived as having inherent strengths, skills and abilities (or assets) within them" (Atkinson and Willis, 2005). The first stage in CCB here is to identify assets in a community such as talents and skills, existing organisations and networks, physical assets such as buildings and equipment, and local knowledge, including community stories. Good practice means involving local people from the start, developing local resources, providing adequate development time and ensuring that decision-making processes are appropriate to local community experience. Examples of CCB projects are given, including small grants schemes, community gardens and neighbourhood renewal programmes. A framework for evaluating the effectiveness of CCB work is also developed. Capacity indicators might include, for example, organising ability, technical skills, a supportive community (measures which show inclusiveness of all cultures and groups), positive perceptions by residents about their community, and a sense of control and ownership. These can all be tested and measured using participatory action research techniques.

Indicators and evaluation

Workers in Toronto, Canada, have been developing similar indicators of community capacity (Jackson *et al.*, 2003; Labonte and Laverack, 2001b). This project was situated in a health and social development context, but its conclusions could equally be applied to housing contexts. A collaborative research approach was devised to measure community capacity, based upon community experience in seven neighbourhoods defined as deprived or "problem" areas. CCB, these workers argued, was as much about what is done to the community as it is about what happens within it. Thus, increasing community capacity means "not only improving the skills of local residents but also creating the conditions inside and outside the community that maximise the potential for these to develop and find full expression." These indicators include a welcoming and supportive community; residents having positive perceptions of their community, able to organise and celebrate together, participating actively in the social, political and economic life of the community; and, again, community members having a sense of control and ownership. Internal and external barriers to this happening and factors which could facilitate them were identified. For example, an internal barrier might

be the existence of community factions which work to exclude some groups, perhaps because of racist attitudes; external barriers might be a negative image of the community or unhelpful government policies. A North American study also identified leadership as a critical "internal" factor: leadership training programmes were found to increase participants' capacity by strengthening their knowledge, skills and self-efficacy (human capital) and by increasing their access to networks and resources (political capital). Programme participants identified how they helped them understand, for example, how communities worked (Emery *et al.*, 2007). The Toronto work in particular builds on and extends previous work both on capacity building and on community resilience models (Kretzman and McKnight, 1993) and emphasises the use of research which is both participatory and qualitative in its orientation. The Toronto Community Housing Corporation now emphasises the importance of CCB for community safety work, arguably bridging both housing and health aspects of a community's life (*www.theconstellation.ca*).

As noted, the development and measurement of a community's capacity must be distinguished from the capacity of organisations delivering the service, whether housing or some other public service. In the USA, work has been undertaken to assess the capacity of community development corporations (CDCs) to carry out their functions more effectively and help to build capacity in communities. This work identifies five categories of capacity which are needed by CDCs: resource, political, organisational, networking, and programmatic (Glickman and Servon, 2003). Clearly, lack of some, or all, of these capacities would constitute, in the Toronto researchers' terms, external barriers to building community capacity.

Finally, the role of CCB in community regeneration is considered.

Community capacity building and community regeneration: A complex policy mix

Definition and history of community regeneration

Neighbourhood regeneration (the term most commonly used within the UK) refers to the economic, social and environmental renewal of what are variously described as "run-down", deprived, excluded or poor areas. The balance between economic, social or environmental elements may vary depending on the programme although UK local government, as the agent of what are usually government-funded programmes has, since the end of the 20th century, been legally required to promote all three elements for the residents living within its boundaries. Initially, drawing on US experience, neighbourhood regeneration in the UK focused more heavily on the development of economic activity, aiming to address joblessness amongst residents of areas subject to high levels of unemployment as the older industrial base had

withdrawn from these areas (Banks and Shenton, 2001). It is only recently that the dimension of social renewal has emerged in response to the recognition of what has been termed social exclusion, and, more recently still, that the need to address environmental conditions in poorer areas has been acknowledged and begun to be acted on (Adebowale, 2008).

The term neighbourhood renewal has been used in other territories: for example, in Germany, the neighbourhoods targeted for these programmes are generally described as "urban quarters with special renewal needs." These programmes, of *nachtbarschaftsmanagemen*t (neighbourhood management – involving CCB) fall within the general context, of what are known as socially integrative cities (*www.sozialetadt.de*; *www.soziale-stadt.nrw.de*), known in the Netherlands alternatively as "distressed urban areas" (Dekker, 2007). Over a longer timeframe, the term "redevelopment" has also been in common usage.

In the UK, neighbourhood regeneration has been a very significant part of official urban policy since the late 1960s. This has encompassed a long series of programmes such as the Urban Programme (largely consisting of grants for local authorities and organisations working in areas of high minority ethnic concentration), Community Development Projects, Single Regeneration Budget (Alcock *et al.,* 1998), (which brought together a range of regeneration funding streams), Enterprise Zones (with an emphasis on private sector economic development through public subsidy), New Life for Urban Scotland, City Challenge, Neighbourhood Renewal, Housing Action Trusts, Neighbourhood Management, and, most recently, the New Deal for Communities, targeting 88 of the most deprived English communities with large-scale government funding (Social Exclusion Unit, 2001). In some deprived areas, there has been a confusing succession of local projects deriving from national programmes. The focus on neighbourhood regeneration, *i.e.* on community as *place*, has meant that the possibilities for CCB are considerable. What the literature shows is that repeated messages about community involvement and CCB have often failed to become embedded in their practice.

The natural history of these schemes, and in parallel schemes elsewhere, such as Ireland (Maclaran, Clayton and Brudell, 2007) or Israel (Weinstein, 2008), reveals a steadily increasing rhetorical focus on the need to involve residents in regeneration processes, in particular, to include them in the early stages of programme design, (JRF, 1999; Carley, 1999; Taylor, 2000), and also a growing emphasis on holistic regeneration (Alcock, Craig and Lawless, 1998). Accompanying schemes supported by government departments responsible for urban policy are others devised by different government actors, such as those providing training support for "community champions" (*i.e.* people within deprived communities who were targeted as potential leaders) (Duncan and Thomas, 2001; Scarman Trust, 2008) and those aimed at building the capacity of Third Sector organisations to respond to the needs of the most vulnerable

groups (*www.capacitybuilders.org.uk*). Many in the Third Sector have argued that CCB in deprived neighbourhoods and amongst vulnerable communities has been core to their work for many years and that they are more effective at it than government because they can get "closer" to these communities and are more trusted by them. In the field of regeneration, typical examples of the sectoral work of Third Sector organisations include the Black Training and Enterprise Group (which works to help build the capacity of Third Sector organisations and small businesses working with Black and Asian people, upskilling them and helping them into appropriate employment) (*www.bteg.co.uk*); and, in a neighbourhood context, the work of the London-based Coin Street Community Project, which developed as a major community-based organisation to oppose large-scale commercial redevelopment of a city centre area in favour of protecting existing residents' interests (*www.coinstreet.org*).

Major trends

The focus on economic, social and environmental regeneration means that the character of programmes becomes quite complex, particularly given the increasingly uneven levels of economic growth at regional levels within specific countries, and, because seeing renewal through a neighbourhood lens is even more inappropriate than it might be in, say, housing work. Commentators argue, citing UK and Danish experience, that a more strategic regional level of governance is required to address urban renewal, an approach which is far more apparent in Denmark than it is in the UK (Cole and Etherington, 2005). This makes the question of building (neighbourhood) community capacity more complex still. The notion of neighbourhood renewal in any case raises the contentious issue of the meaning of community and the assumptions that residents within a specific geographical area not only share that space but also interests, lifestyles, goals and patterns of consumption. This assumption has increasingly been challenged with neighbourhoods being seen as sites of contest and conflict over resources and perspectives (Shirlow and Murtagh, 2004). This is problematic for the sorts of communitarian analysis promoted by "Third Way" governments which have seen the state as needing simply to "generate social interaction between individuals based in communities in order to strengthen civic society and, thereby, enhance community safety, cohesion and social well being" (Cooper, 2008), a perspective which informs a simplistic view of CCB goals.

Neighbourhood renewal programmes have thus increasingly had to work with the recognition of complexity at a local level and, in some cases, have collapsed because of a failure to manage the consequent tensions. More generally, and critically, neighbourhood renewal programmes – which have inevitably (because of the scale of resources involved) tended to emerge as "top-down" targeted, government-driven initiatives – have been characterised as being "less about democratic self-determination and more about managing

social tensions and assisting state bureaucracies to accomplish their objectives" (Crow and Allan, 1994). That is, it is about neighbourhood management rather than neighbourhood/community control. This critique also has a long pedigree and, in the context of the UK, goes back at least to the ill-starred Community Development Projects of the 1970s (CDPIIU, 1977a) whilst continuing to be applied to the government's more recent interest in the concept of community cohesion. The UK government-sponsored Commission on Cohesion and Integration published case studies showing how local participation might improve local cohesion and community integration, regarding participation and integration as not only an indicator but also as a lever of cohesion. These demonstrated how effective participation led to increased trust in institutions and agencies, and improved inter-community relations (Commission on Integration and Cohesion, 2007).

The latter is seen by some as a thinly veiled attempt to operationalise the government's "war on terror" – *i.e.* to increase levels of neighbourhood surveillance within communities perceived to be at high risk of civil disturbance (Worley, 2005).

The increasing complexity of neighbourhood renewal, recognising that the dimensions of renewal go beyond merely physical reconstruction, has driven programmes to incorporate other important sectoral elements such as health. One innovative regeneration capacity building programme involves the notion of "health trainers" where such trainers are recruited from deprived communities, trained and developed towards an accredited certificate. These then provide "one-to-one healthy lifestyle guidance and behaviour change interventions to people from these communities who wish to change a behaviour related to their health, linked more widely within health provision into the public health workforce development strategy".[7] The following chapter deals in detail with local economic development but again local regeneration programmes also increasingly incorporate dimensions which focus on local economic development and on unemployment in particular. Thus, in Canada, the Community Employment Innovation Project is testing "an alternative form of income transfer that has dual goals of supporting the unemployed whilst building community capacity" (Gyarmati *et al.*, 2008). Early work indicated "substantially higher rates of full-time employment, increased earning … reduced receipt of benefits … improved well-being, with reductions in the extent and severity of poverty and hardship, and increased life satisfaction." Although many of the measures were individualised, the capacity of the community was also increased in terms of skills and knowledge, for example.

CCB in the context of neighbourhood renewal or regeneration may involve the acquisition of enhanced capacities both for individuals living within an area but also for the sustainability of the area itself, as residents move into and out of it. It is important also to recall that regeneration may take place in rural as

well as urban areas and there is an increasing literature describing community involvement in rural regeneration work. For example, one northern Irish study reviews the way that local rural regeneration partnerships have helped to develop a "collaborative culture that will enable people with diverse and sometimes hostile interests to mediate and negotiate shared perspectives" (Williamson, Beattie and Osborne, 2004). In remote Scottish Highland areas, typical of many of the projects funded under the EU Leader programmes (Craig *et al.,* 2004), similar conclusions emerged as well as the recognition that, for effective rural regeneration work there still needed to be strong local democratic practices, representative structures (problematic in areas with dispersed populations) *and* a strong and sympathetic institutional framework[8], reinforcing earlier messages about the impact of external barriers to effective CCB.

Drawing on the huge volume of regeneration programmes in most national settings, there has been an equally large volume of research exploring the issue of community involvement and CCB. A representative selection of studies is summarised in Boxes 2.3 and 2.4 below.

Box 2.3. **Lessons for CCB in regeneration programmes: Partnership working**

- A study of community participants' involvement in early area regeneration projects in the UK suggested that communities were diverse and that conflict needed to be acknowledged. There was a gap between the rhetoric of involvement and actual practice with little time for effective consultation and involvement (Anastacio *et al*., 2000).
- Work on the notion of community leadership suggested that successful regeneration required effective community involvement and that this in turn required a strong contribution from community leaders. Again, the rhetoric and reality of community involvement were not matched: leaders needed more time and resources than were often available, and a recognition that the nature of leadership might change over time (Purdue *et al.,* 2000). Echoing other research on partnership working, local regeneration partnerships often marginalised the voice of the community. Local community representatives find they have inadequate time or resources to operate as effective partners at the table with well-resourced policy actors such as local government and health bodies, and to represent community interests (Rowe and Devanney, 2003; Craig and Taylor, 2002).
- A review of a range of regeneration case studies in the UK noted the failings of partnership working for promoting effective public participation. In communities which had strong social networks but were often deeply divided on sectarian grounds, the community voice was often fragmented or contested and powerful partners dominated the development of policy. Government was unable or unwilling to explore alternative means of consultation which would have overcome these difficulties (Muir, 2004).

Box 2.4. **Lessons for CCB in regeneration programmes: Funding as a lever**

- An evaluation of a government community participation programme in the UK, which included funds for promoting local action and empowerment, specifically aimed at enhancing the level of community participation in wider neighbourhood renewal work, identified a range of strengths, weaknesses, opportunities and threats. Local communities were superficially given enhanced opportunities for participation, for decision making and accessing resources on the one hand; but the process, driven by political imperatives, was rushed, sometimes superficial, under-resourced, fragmented and contested, reflecting divisions within the communities. Again, powerful external partners refused to engage effectively with communities, either driving through their own decisions or co-opting local groups into their processes and undermining the distinctiveness of the community voice. This compromised some major gains, particularly the flexibility of the funding regime and the sense that communities had of controlling important decisions (NRU, 2005).
- A programme of "light touch" support to 20 UK communities offered a local facilitator/advocate, small grants, networking opportunities, help with action planning and a broker to negotiate with more powerful bodies. This made a real difference to these communities in enabling them to stay abreast of policy change and to advocate for its own needs, although it was recognised that long-term intensive community development support would also be needed where there was a long history of disadvantage. This approach depended, however, on sustainable local organisations with strong community participation, effective leadership and continued funding (internal factors) and committed partners, opportunities for dialogue between residents and authorities, time and resources (external factors) (Taylor *et al.*, 2007).
- A funding scheme for community regeneration activity in Scotland's most deprived communities was linked to a series of Regeneration Outcome Agreements (ROAs). These Agreements, stressing the significance of outcomes (such as building strong, safe and attractive communities, getting people back to work, and improving health), were found, because of their clarity, to have enhanced community involvement in decisions about service provision. However, the speed at which ROAs were pushed through, again a product of political imperatives rather than sensitivity to local conditions, created difficulties. A similar programme was developed in Wales. Here there was a balance between national and local priorities (although in practice, national priorities took precedence). The communities were targeted on the basis of deprivation indices and the evaluation of the programme argued both for a longer timeframe to be able to assess outcomes properly, and also to be able to target not just geographical communities but specific population groups such as ethnic minorities which might not be concentrated geographically but which experienced severe disadvantage (ODS Consulting, 2007).

Examples from the UK

As political devolution developed within the UK, separate major regeneration schemes emerged within the devolved administrations. For example in Wales, the Welsh Assembly sponsored a major regeneration scheme called Communities First, defined by the Assembly as a capacity building programme – although the findings of a recent review has labelled its objectives more as regeneration. This is because whilst the capacity building objectives of the programme were said to have been achieved to a large extent, the schemes had failed to "bend" mainstream services towards the most deprived areas which remained high on most indicators of deprivation. This represents a major tension within such schemes as process goals compete with outcome goals; in this programme, the statutory sector effectively "failed to respond to the community sector". In terms of capacity building, the programme's effectiveness lay in providing multiple approaches to participation, often within a partnership and aiming to accommodate the interests of local residents (Adamson and Bromiley, 2008). This also rehearses, in a regeneration context, the familiar tension between "top-down" and "bottom-up" approaches.

A Scottish study also explored the meaning of effective community engagement in regeneration, defined as leading to change which could be measured, whether improvement in local services, an increase in the skills and capacity of community or individuals, or a more general measure such as an enhanced quality of life or sense of pride in the community. One key finding was that representative (*i.e.* councillors and MPs) and participative (community groups) forms of democracy should be able to work alongside each other, that inclusion of all groups should be valued and that emphasis should be given to process as much as outcome. The baseline evaluation noted that community engagement needs to be assessed within each local context with no single measure being appropriate for all work in this area (ODS Consulting, 2006).

The work of autonomous organisations such as the Tenants Information Service (TIS) in promoting tenant participation in housing was alluded to earlier. TIS has also developed frameworks for involving tenants in regeneration work, recognising that "improving housing alone is no longer enough. Jobs, resources and services are essential if regeneration is to succeed" (TIS, 2000). A handbook for tenants involved in regeneration provides a checklist of knowledge, skills and other resources, together with the core elements of a participation strategy required by tenants actively seeking to influence the development of regeneration schemes. Hardly surprisingly, housing has often been at the heart of regeneration work. However, although housing associations and other groups were steered away by policy and funding constraints from involvement in the UK regeneration programmes during the 1980s, by the

late 1990s housing associations were again encouraged to be involved in community regeneration. This shift was particularly important where these housing associations focused on the needs of more vulnerable people who might need an enhanced level of support and care (Driffill and Hill, 2001). Housing associations in the UK are now beginning to explore a wider role in CCB, for example in building capacity in other smaller Third Sector organisations in the areas in which they have housing stock, defining themselves as "community anchors" (Wadhams, 2006).

A review of the UK government's National Strategy for Neighbourhood Renewal observed that a range of agencies resourced CCB but that provision was neither comprehensive nor well-coordinated. This "patchwork quilt" of agency intervention took little account of difference in local conditions and those areas outside the nominated target areas received no help at all, a criticism which has been made of most area-based social policies. Many areas had experienced little previous commitment to community development and where there had been such a commitment, it had waned over time (Thomas and Duncan, 2000). A review of Scottish research evidence on CCB argued that it took time and involved both financial and non-financial resources: it was risky but there was little appreciation of the risks involved. Continual social and urban policy change – characteristic of many developed countries in recent years – can undermine CCB. There are specific ways in which individuals and communities can promote sustainable regeneration including training, supporting leaders, building individual capacity, networking, identifying information needs and creating a financial framework to support CCB (Chapman and Kirk, 2001).

A strong critique is emerging in relation to CCB within the New Deal for Communities (NDC), the UK New Labour government's biggest single social policy investment, and involving major "capacity building" initiatives in 39 very deprived neighbourhoods throughout England. Not all the evaluations of the work of NDCs were critical, most observing some gains for local residents (*www.avencentral.org.uk*). In some areas, however, tensions within the communities (often over control of financial and other resources) led to the collapse of the scheme. In other areas conflicts developed between the perspectives of the local community and that of government officials responsible for overseeing the scheme and in some of these the schemes also faltered.[9] Difficulties were occasionally related to ethnic divisions within these communities. An analysis of the experience of all NDC projects suggested that whilst the long timeframe (of up to ten years) provided, potentially, a stable base, the availability of substantial financial resources created problems with respondents, implying that this placed a burden on communities. Thus communities had not been given the support they might need to manage this aspect of major regeneration programmes (Carpenter, 2008); most of the

literature evaluating the performance of the NDC (such as Dinham, 2005) argues that effective community leadership is critical in boosting the regeneration effort in certain areas.

Others suggest that whilst community involvement is not easy, the building of community capacity in the NDC has been limited, representation of residents difficult to achieve and there have been tensions between local residents and their "democratic" representatives (local councillors). Both structures and processes need to be right (Robinson, Shaw and Davidson, 2005). Similarly, a detailed reflection on one NDC project suggested that there was a substantial gap between the communitarian rhetoric of New Labour and the need for sustained community development to support local communities. Community development needed to start where the skills, capacities and abilities of local people were but the structures created to manage and advise the development of this and other NDCs were often beyond the abilities of local people to participate. For example, opportunities for participation were seen as too formal and places on Boards too often occupied by professionals external to the communities (Dinham, 2005). The need to start "where people are" was particularly emphasised in another ethnographic study which suggested that many people in disadvantaged neighbourhoods actively avoided participation as part of "'survival strategies' developed to cope with long-term multiple disadvantage". This study examined participation through the lens of "rational actor theory" (*i.e.* that people choose actions which are best for them). Peoples' experience of the state, which had frequently criticised or tried to change residents' behaviour, was seen as so critical and threatening, that residents absented themselves from a programme which was seen as state-directed (Mathers, Parry and Jones, 2008).

Social Inclusion Partnerships (SIPs) were developed at an early stage of the devolved Scottish Parliament. An evaluation of one SIP observed that the rhetoric of New Labour had been matched so poorly with its actual practice on the ground that the level of community involvement in local regeneration was little different from what it had been under previous Conservative administrations, where community involvement had barely been privileged at all. Residents had not been involved at the critical early stages of programme design, and deadlines for subsequent phases were so tight that effective consultation and involvement was precluded. Overall, these processes were at best "tokenistic and at worst, local people were being 'exploited' to legitimise the policy process" (McWilliams, 2004; Craig, 1990). A similar critique, drawing on NDC experience in two northern UK cities (Diamond, 2004), observed that the NDC, whilst being wrapped in a new vocabulary (of which CCB was a significant part), was "steeped in old practices". Changing structures (with a plethora of new partnership bodies) does not, of itself, alter power differences inherent in local neighbourhoods where community groups are cast as

"dependent" by regeneration managers seeking to meet performance targets. This is a critical point since it again confronts the tensions between the needs and desires of community groups and those of managers in statutory agencies, charged with delivering programmes, generating outputs and meeting targets. Such tensions were usually played out in the arena of newly-created partnership bodies where the power was stacked heavily in favour of statutory bodies (Diamond, 2004). Diamond points out that "we have been here before … the renewed emphasis on 'capacity building' [is] seen as part of a perceived need to strengthen institutions of civil society as well as address 'social exclusion'". It differed from previous programmes, however, as government now emphasised the needs of individuals above those of the wider community.

Elsewhere

In line with a growing realisation of the need for ownership of such programmes by the residents/tenants most affected by renewal/re-development, regeneration programmes have generally come with at least a rhetorical policy commitment to community involvement and capacity building. In Australia, a review of both Australian and international research on community regeneration within public housing redevelopment indicated not only that the separate elements of economic, social and environmental renewal need to be worked on in parallel, but that "building community empowerment, cohesiveness and problem-solving capacity require both initial effort and ongoing investment because of the impacts of disadvantage and resident mobility" (Atkinson and Willis, 2005). The latter issue is particularly critical for renewal work because, given that these neighbourhoods are often what used to be termed "zones of transition", i.*e*. areas with a substantial turnover of residents (as those who manage to escape the poor neighbourhoods do so, to be replaced by other poor in-migrants), there is enhanced demographic change thus making it more difficult for community organisers to build sustainable community organisations or for government agencies to connect with a relatively stable group of local people.

Research into the renewal of "distressed areas in the Netherlands" has explored the factors which promote participation within particular neighbourhoods, finding that the combined effects of neighbourhood attachment and social capital can be crucial in promoting participation and thus underpinning CCB work. Neighbourhood attachment involves having strong local social networks and rejecting deviant behaviour (*e.g.* noise, drunkenness, petty crime); what residents have and what their attitudes are, in combination, may promote participation in regeneration programmes. This might imply that people participate more readily in more ethnically homogenous areas, for example, or conversely, that capacity building in neighbourhood regeneration programmes needs to pay attention to bridging work between differing ethnic groups to ensure widespread participation in more mixed areas. This is all the

more significant in areas where there is substantial population "churn". One proposal put forward by the Dutch study (Dekker, 2007) is for increasing housing tenure mix in such areas, in particular increasing the level of home ownership alongside rented properties, although this may bring tensions of their own and potentially increase the level of both population "churn" and segregation.

Concluding comments

The notion of CCB in healthcare is a relatively recent phenomenon and challenges the power base of clinicians in a service area which, additionally, is complicated by the language of health technology. Gains have therefore been modest, uneven and, in general, fairly recent. In housing, the level of tenant participation has been considerable for many years and in many countries there are now established structures to support it, based on the notion of participation in determining housing conditions as a right, although there are still serious questions about the extent of real participation in important decisions. In community regeneration, however, despite extensive experience in most developed countries, the literature suggests that "we have not yet succeeded in developing more effective ways of achieving these crucial and long-standing aspirations of urban planning and regeneration. Why is it that almost one hundred years of regeneration practice has not yet led to more success in achieving the goals of public participation in planning within poor neighbourhoods?" (Burton, 2002). The review dismisses the notion that "we", the professionals, are slow to learn from experience, or that the familiar barriers to the participation of community members – ignorance, self-interest, prejudice or lacking rationality – are the key to understanding this failure in policy and practice. The critique made time and time again – that government, at whatever level, is simply less interested in promoting involvement than it is in achieving "criteria of financial viability and administrative structure" – is a powerful one, suggesting that governments continually fail to set targets or outcomes which are realistic and reasonable in the context of (hoped-for) large-scale participation. But alongside this is a continuing failure to accept the importance of participatory democracy alongside the traditional (and withering) forms of representative democracy which those in power cling to. As a result, where levels of involvement are modest, they are immediately criticised as being unrepresentative; community representatives are often chosen rather than elected (and thus actually *are* unrepresentative); and the range of modes of participation are often too few to allow for a varied form of participation, truly representative of difference and diversity within communities. Until this basic lesson in democratic politics is absorbed into programmatic design and execution, the same continuing critique will be made of the failure of CCB within regeneration programmes.

Notes

1. Correspondence from Ady Carrera, Researcher at the Centre of Research and Teaching of Economics (CIDE) in Mexico City (ady.carrera@cide.edu).
2. Private communication: Sarah Clay, Castle Vale Community Regeneration Services, 26 August 2008.
3. See EC decision N 89/2004 *http://ec.europa.eu/community_law/state_aids/comp-2004/n089-04.pdf*.
4. In western Europe, only the Netherlands (at 41%) and Denmark (27%) had higher proportions of social housing in the late 1990s than the UK (at 25%). In countries such as Spain and Greece, social housing barely exists as a separate category.
5. Most local authorities in the UK now have a formal Tenant Participation Strategy which negotiates with registered Tenants Organisations: see for example *www.moray.gov.uk/moray_standard/page-1920.html*. In England, the relationships between local authorities and council tenants has been formalised through what is commonly known as the "Tenant Participation Compact", supported by the Government's National Framework for Tenant Participation Compacts (published in 1999 and available from *www.communities.gov.uk/publications/housing/nationalframework*): see for example for Rochdale, *www.rb housing.org.uk/information/tenantcompact.htm*. The commitment to tenant participation, supported by community capacity building by housing officers, is also apparent in other national contexts: for the case of Ireland, see for example *www.wexford.ie/wex/Departments/Housing/AreaHousingOfficers*. In the USA, the general provisions laid down by the Housing and Urban Development department include "the promotion of tenant participation and the active involvement of tenants in all aspects of any housing agency/association" as laid down by a series of federal Housing Acts.
6. See, for Lithuania, the section on the existing policy context in response to a questionnaire on sustainable building in Europe, available from *rimvydas.pranaitas@aplinkuma* which makes it clear that social housing is solely for inhabitants with low incomes.
7. Private communication: Joanna Chapman-Andrews, South Central Strategic Health Authority, UKNHS, Winchester, 7 August 2008.
8. Reports on rural advocacy work from Ionad Naisenta Na H-Imrich (National Centre for Migration Studies), Skye, available from *www.ini.smo.uhi.ac.uk/projects/completed-projects.htm*.
9. A full evaluation of the scheme is due shortly from the Centre for Regional Economic and Social Research at Sheffield Hallam University, *www.shu.ac.uk*. Their interim evaluation suggested that there was little change in terms of health indicators and that "evidence does not point to there being a great deal of change in economic activity".

Bibliography

Adamson, D. and R. Bromiley (2008), *Community Empowerment in Practice: Lessons from Communities First,* Joseph Rowntree Foundation, York.

Adebowale, M. (2008), "Understanding Environmental Justice: Making the Connection Between Sustainable Development and Social Justice", in G. Craig, *et al.* (eds.), *Social Justice and Public Policy*, Policy Press, Bristol, pp. 251-276.

Albert, D., *et al.* (2000), *Aboriginal Community Capacity Building: Implementing AIDS/HIV Epidemiology and Surveillance in Health Policy and Planning*, paper to international AIDS conference, Durban, South Africa, 9-14 July.

Alcock, P. and G. Craig (2009), "The International Context", in P. Alcock and G. Craig (eds.), *International Social Policy: Welfare Regimes in the Developed World*, Palgrave, Basingstoke, (2nd edition).

Alcock, P., *et al.* (1998), *Inclusive Regeneration*, Department for the Environment, Transport and the Regions (UK), London.

Allen, C. and N. Sprigings (2001), "Housing Policy, Housing Management and Tenant Power in the 'Risk Society': Some Critical Observations on the Welfare Politics of 'Radical Doubt'", *Critical Social Policy*, Vol. 21, No. 3, pp. 384-412.

Anastacio, J., *et al.* (2000), *Reflecting Realities: Participants' Perspectives on Integrated Communities and Sustainable Development*, Policy Press, Bristol.

Anker, J. (2008), "Organising Homeless People: Exploring the Emergence of a User Organisation in Denmark", *Critical Social Policy*, Vol. 28, No. 1, pp. 27-50.

Arnstein, A. (1969), "A Ladder of Citizen Participation", *American Institute of Planners Journal*, Vol. 35, No. 4, pp. 216-224.

Atkinson, R. and P. Willis (2005), *Community Capacity Building – A Practical Guide*, Paper No. 6, Housing and Community Research Unit, University of Tasmania, Hobart, *www.utas.edu.au/sociology/HACRU/6%20Community%20Capacity%20building.pdf*.

Baggott, R., J. Allsop and K. Jones (2004), "Representing the Repressed: Health Consumer Groups and the National Policy Process", *Policy and Politics*, Vol. 32, No. 3, pp. 317-331.

Banks, S. and F. Shenton (2001), "Regenerating Neighbourhoods: A Critical Look at the Role of Community Capacity Building", *Local Economy*, Vol. 16, No. 4, pp. 286-298.

Barker, I. and E. Peck (1996), "User Empowerment: A Decade of Experience", *Mental Health Review*, Vol. 1, No. 4, pp. 5-13.

Barnes, C. and G. Mercer (2003), *Disability*, Polity, Cambridge.

Bauld, L., *et al.* (2005), "Promoting Social Change: The Experience of Health Action Zones in England", *Journal of Social Policy,* Vol. 34, No. 3, pp. 427-445.

BC Healthy Communities (2006), *Building Capacity: Building Healthy Community*, BC Healthy Communities, Victoria.

Beaumont, J. (2003), "Governance and Popular Involvement in Local Anti-Poverty Strategies in the UK and Netherlands", *Journal of Comparative Policy Analysis: Research and Practice*, Vol. 5, Nos. 2-3, pp. 189-207.

Beck, H. and L. Richardson (2004), *Evaluation of the Trafford Hall Making Things Happen Capacity Building Programme 1999-2003,* LSSE/ODPM, CASE Report 26.

Beresford, P. (2001), "Service Users, Social Policy and the Future of Welfare", *Critical Social Policy*, Vol. 21, No. 4, pp. 494-512.

Beresford, P. and S. Croft (1993), *Citizen Involvement: A Practical Guide for Change*, Macmillan, Basingstoke.

Beresford, P., C. Harrison and A. Wilson (2002), "Mental Health Service Users and Disability: Implications for Future Strategies", *Policy and Politics*, Vol. 30, No. 3, pp. 384-396.

Brandon, S. (2008), "World Class", *Inside Housing,* 11 July.

Bridgen, P. (2004), "Social Capital, Community Empowerment and Public Health: Policy Developments in the UK since 1997", *Policy and Politics*, Vol. 34, No. 1, pp. 27-50.

Burton, P. (2002), *Community Involvement in Neighbourhood Regeneration: Stairway to Heaven or Road to Nowhere?*, paper to the annual conference of the Social Policy Association, Middlesbrough, 16-18 July.

Burton, P. (2004), "Power to the People?: How to Judge Public Participation", *Local Economy,* Vol. 19, No. 3, pp. 193-198.

Butler, C., C. Rissel and F. Khavarpour (1999), "Factors Associated with Resident Action Groups in Metropolitan Sydney: A Cross-Sectional Survey", *Australian and New Zealand Journal of Public Health*, Vol. 23, No. 6, pp. 634-638.

Callaghan, G. and G. Wistow (2002), "Public and Patient Participation in Primary Care Groups: New Beginning for Old Power Structures", *Nuffield Portfolio Programme Report No. 19*, Nuffield Institute for Health, Leeds.

Callaghan, G. and G. Wistow (2006), "Governance and Public Involvement in the British National Health Service: Understanding Difficulties and Developments", *Social Science and Medicine*, Vol. 63, No. 9, pp. 2289-2300.

Calman, K., D. Hunter and A. May (2004), "Lost in Translation: a Commentary on Labour's Health Policy Four Years into the NHS Plan", Wolfson Research Institute, University of Durham, mimeo: 4.

Campbell, J. and M. Oliver (1996), *Disability Politics: Understanding Our Past, Changing Our Future*, Macmillan, Basingstoke.

Carley, M., *et al*. (2000), *Urban Regeneration through Partnership: A Study in Nine Urban Regions in England, Scotland and Wales*, Policy Press, Bristol.

Carr, S. (2004), "Has Service User Participation Made a Difference to Social Care Services?", *SCIE Position Paper No. 3*, Social Care Institute for Excellence, London.

Carr, S. (2007), "Participation, Power, Conflict and Change: Theorizing Dynamics of Service User Participation in the Social Care System of England and Wales", *Critical Social Policy*, Vol. 27, No. 2, pp. 266-276.

Carpenter, J. (2008), "How the New Deal was Dealt", *Regeneration and Renewal,* 11 January.

Casswell, S. (2001), "Community Capacity Building and Social Policy: What Can be Achieved?", *Social Policy Journal of New Zealand,* Issue 17, December, pp. 22-35.

Cavaye, J. (1998), *The Role of Government in Community Capacity Building*, Department of Primary Industries, Queensland, Australia, mimeo: available from *cavayej@dpi.qld.gov.uk*.

CDPIIU (Community Development Project Information and Intelligence Unit) (1977a), *Gilding the Ghetto,* CDPIIU, London.

CDPIIU (1977b), *The Costs of Industrial Change*, CDPIIU, London.

Chapman, M. and K. Kirk (2001), *Lessons for Community Capacity Building: A Summary of Research Evidence,* Scottish Homes, Edinburgh.

Chau, R. (2008), *Health Experiences of Chinese People in the UK,* Race Equality Foundation, London.

CHIBAH (Co-operative Housing in Brighton and Hove) (2006), *The Case for Developing Housing Cooperatives in Brighton and Hove*, CHIBAH, Brighton.

Chouhan, K. and C. Lusane (2004), *Black Voluntary and Community Sector Funding: Its Impact on Civic Engagement and Capacity Building*, Joseph Rowntree Foundation, York.

Clarke, J. (2005), "New Labour's Citizens: Activated, Empowered, Responsibilised, Abandoned?", *Critical Social Policy*, Vol. 25, No. 4, pp. 447-463.

Clear Plan UK (2008), *Evaluation of the Impact of the National Standards for Community Engagement,* Report to the Scottish Government, Glasgow.

CLES (2002), *Good Practice in Supporting Access to Information, Communications and Technology (ICT) for Black and Minority Ethnic (BME) Groups in Deprived Areas*, Report for Department for Education and Skills (UK), Centre for Local Economic Strategies, Manchester.

Cole, I. and D. Etherington (2005), "Neighbourhood Renewal Policy and Spatial Differentiation in Housing Markets: Recent Trends in England and Denmark", *European Journal of Housing Policy*, Vol. 5, No. 1, pp. 75-88.

Commission on Integration and Cohesion (2007), *What Works in Community Cohesion?*, Department of Communities and Local Government, London.

Communities Scotland (2008), *Evaluating Scottish Social Landlords' Progress on Tenant Participation*, Research Report No. 98, Communities Scotland, Glasgow.

Cooper, C. (2008), *Community, Conflict and the State*, Palgrave, Basingstoke.

Cooper, C. and M. Hawtin (eds.) (1997), *Housing, Community and Conflict*, Arena, Aldershot.

Co-operatives UK (2008), *Commentary on Communities in Control*, Co-operatives UK, Manchester.

Craig, D. (2005), "Reterritorialising Health: Inclusive Partnerships, Joined-up Governance and Common Accountability Platforms in Third Way New Zealand", *Policy and Politics,* Vol. 31, No. 5, pp. 333-352.

Craig, G. (1989), "Community Work and the State", *Community Development Journal*, Vol. 24, No. 1, pp. 3-18.

Craig, G. (1990), *Poverty in Scotland,* Scottish Anti-Poverty Network, Glasgow.

Craig, G. (2003a), "Children's Participation through Community Development: Assessing the Lessons from International Experience", in C. Hallet and A. Prout (eds.), *Hearing the Voices of Children*, Routledge, London, pp. 38-56.

Craig, G. (2003b), "Measuring Empowerment: the Evaluation of Community Development", *Journal of Community Development Society,* Vol. 33, No. 1, pp. 124-146.

Craig, G. and M. Taylor (2002), "Dangerous Liaisons: Local Government and the Voluntary and Community Sectors" in C. Glendinning, M. Powell and K. Rummery (eds.), *Partnership, New Labour and the Governance of Welfare*, Policy Press, Bristol, pp. 131-147.

Craig, G., *et al.* (2004), *Rural Community Development in Europe*, Carnegie UK Trust, Dunfermline.

Crilly, R. (2003), *Synthesis Research on Community Capacity*, Lawson Health Research Institute, Ontario for Health Canada.

Crow, G. and G. Allan (1994), *Community Life: An Introduction to Local Social Relations*, Harvester Wheatsheaf, Hertford.

Crowley, P. (2005), *Community Participation and Primary Care*, Building Healthy Communities Programme, Dublin.

DCLG (Department of Communities and Local Government) (2008), *Empowerment White Paper,* Department of Communities and Local Government, London.

Dekker, K. (2007), "Social Capital, Neighbourhood Attachment and Participation in Distressed Urban Areas: A Case Study in The Hague and Utrecht, the Netherlands", *Housing Studies*, Vol. 22, No. 3, pp. 355-379.

Department of Health (2001), *Involving Patients and the Public in Healthcare: A Discussion Document*, Department of Health, London.

Diamond, J. (2004), "Local Regeneration Initiatives and Capacity Building: Whose 'Capacity' and 'Building' for What?", *Community Development Journal*, Vol. 39, No. 2, pp. 177-189.

Dinham, A. (2005), "Empowered or Over-Powered?: The Real Experiences of Local Participation in the UK's New Deal for Communities", *Community Development Journal*, Vol. 40, No. 3, pp. 301-312.

Drake, R. (2002), "Disabled People, Voluntary Organisations and Participation in Policy Making", *Policy and Politics*, Vol. 30, No. 3, pp. 372-383.

Driffill, J. and A. Hill (2001), *Values into Action: Lessons for Successful Community Development and Sustainable Regeneration,* paper presented to the conference Area-Based Initiatives in contemporary urban policy, Danish Building and Urban Research and European Urban Research Association, Copenhagen, 17-19 May.

Duncan, P. and S. Thomas (2001), *Evaluation of the Community Champions and the Community Development Learning Fund,* Research Report No. 280, Department for Education and Skills, London.

Emery, M., *et al.* (2007), "Leadership as Community Capacity Building: A Study on the Impact of Leadership Development on Community", *Community Development,* Vol. 38, No. 4, pp. 60-70.

Foucault, M. (1977), *Discipline and Punish: The Birth of the Prison*, translated by A. Sheridan, Pantheon Books, New York.

Gilmour, T. and E. Bourke (2008), "The Role of Organisation Structure, Relationships and Networks in Building Australia's Community Housing Sector", paper to 3rd Australasian Housing Researchers' Conference, Melbourne, June 18-20.

Glickman, N.J. and L. Servon (2003), "By the Numbers: Measuring Community Development Corporations Capacity", *Journal of Planning Education and Research*, Vol. 22, No. 3, pp. 240-256.

Gomm, M., *et al.* (2006), "Planning and Implementing a Community-Based Public Health Advocacy Campaign: A Transport Case Study from Australia", *Health Promotion International*, Vol. 21, No. 4, pp. 284-292.

Goodlad, R. (2001), "Developments in Tenant Participation – Accounting for Growth", in D. Cowan and A. Marsh (eds.), *Two Steps Forward: Housing Policy into the New Millennium,* Policy Press, Bristol, pp. 179-197.

Goodman, R., *et al.* (1998), "Identifying and Defining the Dimensions of Community Capacity to Provide a Basis for Measurement", *Health Education and Behaviour,* Vol. 25, No. 3, pp. 258-279.

Gruis, V., *et al.* (2005), "Tenant Empowerment through Innovative Tenures: An Analysis of Woonbron-Maasoevers' Client's Choice Programme", *Housing Studies*, Vol. 20, No. 1, pp. 127-147.

Gyarmati, D., *et al.* (2008), *Engaging Communities in Support of Local Development,* Social Research and Demonstration Corporation, Ottawa.

Hardy, B., R. Young and G. Wistow (2001), "Dimensions of Choice in the Assessment and Care Management Process: The Views of Older People, Carers and Care Managers", *Health and Social Care in the Community,* Vol. 7, Issue 6, pp. 483-491.

Harrison, S. (2002), "New Labour, Modernisation and the Medical Labour Process", *Journal of Social Policy*, Vol. 31, No. 3, pp. 465-485.

Harrison, S. and M. Mort (1998), "Which Champions, Which People?: Public and User Involvement in Health Care as a Technology of Legitimation", *Social Policy and Administration*, Vol. 31, No. 1, pp. 60-70.

Harrison, S., G. Dowswell and T. Milewa (2002), "Public and User 'Involvement' in the UK National Health Service", *Health and Social Care in the Community*, Vol. 10, No. 2, pp. 63-66.

Health Canada (2003), *Community Capacity Building and Mobilization in Youth Mental Health Promotion, the Story of the Community of West Carleton*, Health Canada, Ottawa.

Health Promotion Clearing House (n.d.), *Measuring Community Capacity*, Handbook available from Health Promotion Clearing House at *www.horizonscda.ca/reports/ccresources.pdf*.

Hickman, P. (2006), "Approaches to Tenant Participation in the English Local Authority Sector", *Housing Studies*, Vol. 21, No. 2, pp. 209-225.

Hills, J. (2007), *The Ends and Means: The Future Role of Social Housing in England*, London School of Economics, London.

Hodge, S. (2005), "Participation, Discourse and Power: A Case Study in Service User Involvement", *Critical Social Policy*, Vol. 25, No. 2, pp. 164-179.

Holt-Jensen, P.A. (2002), *Housing Policy and Local Initiatives in 8 European Countries: Aiming at Promoting Social Inclusion at Neighbourhood Level: the NEHOM Project*, EU FP5, Report on Key Action 4 "City of Tomorrow and Cultural Heritage".

Home Office (2004), *Building Civil Renewal: A Review of Government Support for Community Capacity Building and Proposals for Change,* Home Office, London.

Hounslow, B. (2002), "Community Capacity Building Explained", *Stronger Families Learning Exchange Bulletin*, Australian Institute of Family Studies, Melbourne, No. 1, Autumn, pp. 20-22.

Housing NSW (2007), *Eco-wise Community Grants Scheme,* Community and Tenant Participation Unit, Housing NSW, Sydney, *www.housing.nsw.gov.au/NR/rdonlyres/24780062-F2ED-424D-B676-4594E8B0757C/0/Ecowisegrantsfactsheet.pdf*.

Hughes, V. (2004), *Putting the "Community" in Community Building*, presentation to the Centre for Public Policy, University of Melbourne, Forum on Capacity Building and Social Capital, 16 September.

Hull, A. (2008), "Facilitating Structures for Neighbourhood Regeneration in the UK: The Contribution of the Housing Action Trusts", *Urban Studies*, Vol. 43, No. 12, pp. 2317-2350.

Isaacs, L. (2006), *Citizen Participation and Community Empowerment: The Development of Local Community Planning in Leith*, MSc thesis, University of Edinburgh, unpublished.

Iton, A. (2006), "Tackling the Root Causes of Health Disparities through Community Capacity Building", R. Hofrichter (ed.), *Tackling Health Inequities Through Public Health Practice: A Handbook for Action*, NACCHO, Washington DC, pp. 115-136.

Jackson, S.F., *et al*. (2003), "Working with Toronto Neighbourhoods Towards Developing Indicators of Community Capacity", *Health Promotion International*, Vol. 18, No. 4, pp. 339-350.

Johnson, M. (1998), "The Involvement of Black and Minority Ethnic Consumers in Health Research", Working Paper 3, Mary Seacole Research Centre, Leicester.

JRF (Joseph Rowntree Foundation) (1999), *Developing Effective Community Involvement Strategies: Guidance for Single Regeneration Budget Bids*, Joseph Rowntree Foundation, York.

JRF (2004), *Older People Shaping Policy and Practice*, Joseph Rowntree Foundation, York.

Kelly, M. and C. Clarke (1997), *Good Practice Manual on Tenant Participation*, Women's Design Service, London.

Kendall, L. and L. Harker (eds.) (2002), *From Welfare to Wellbeing*, Institute of Public Policy Research, London.

Kimberlee, R. (2008), "Streets Ahead on Safety", *Health and Social Care in the Community*, Vol. 16, No. 3, pp. 322-328.

Kretzman, J. and J. McKnight (1993), *Building Communities from the Inside Out: A Path towards Finding and Mobilizing a Community's Assets,* ACTA Publishing, Chicago.

Labonte, R. and G. Laverack (2001a), "Capacity Building in Health Promotion, Part 1: For Whom? and For What Purpose?", *Critical Public Health*, Vol. 11, No. 2, pp. 111-127.

Labonte, R. and G. Laverack (2001b), "Capacity Building in Health Promotion, Part 2", *Critical Public Health*, Vol. 11, No. 2, pp. 129-138.

Lister, R. (2007), "From Object to Subject: Including Marginalised Citizens in Policy Making", *Policy and Politics*, Vol. 35, No. 3, pp. 437-455.

Littlejohns, L.B. and D. Thompson (2001), "Cobwebs: Insights into Community Capacity and its Relation to Health Outcomes", *Community Development Journal*, Vol. 36, No. 1, pp. 30-42.

Maclaran, A., V. Clayton and P. Brudell (2007), *Empowering Communities in Disadvantaged Areas*, Combat Poverty Agency, Dublin.

Maclellan-Wright, M.F., *et al.* (2007), "The Development of Measures of Community Capacity for Community-Based Funding Programs in Canada", *Health Promotion International*, Vol. 22, No. 4, pp. 299-306.

Mathers, J., J. Parry and S. Jones (2008), "Exploring Resident (non)-Participation in the UK New Deal for Communities Regeneration Programme", *Urban Studies*, Vol. 45, No. 3, pp. 591-606.

Mayo, M. and J. Anastacio (1999), "Welfare Models and Approaches to Empowerment", *Policy Studies*, Vol. 20, No. 1, pp. 5-21.

McDonald, J., L. Brown and A. Murphy (2002), "Strengthening Primary Health Care: Building the Capacity of Rural Communities to Access Health Funding", *Australian Journal of Rural Health*, Vol. 10, No. 3, pp. 173-177.

McWilliams, C. (2004), "Including the Community in Local Regeneration: The Case of Greater Pollok Social Inclusion Partnership", *Local Economy*, Vol. 19, No. 3, pp. 364-375.

Melling, J. (1983), *Rent Strikes: People's Struggle for Housing in Western Scotland, 1860-1916,* Polygon Books, Edinburgh.

Merritt, S. (1979), *State Housing in Britain*, Routledge Kegan Paul, London.

MLA (Museums Library Archives) (2008), *Skilled for Health in Libraries*, Museums Libraries Archives, London.

Mooney, G. and L. Poole (2005), "Marginalised Voices: Resisting the Privatisation of Council Housing in Glasgow", *Local Economy,* Vol. 20, No. 1, pp. 27-39.

Mooney, G. and N. Fyfe (2006), "New Labour and Community Protests: The Case of the Govan Hill Swimming Pool Campaign, Glasgow", *Local Economy,* Vol. 21, No. 2, pp. 136-150.

Muir, J. (2004), "Public Participation in Area-Based Urban Regeneration Programmes", *Housing Studies,* Vol. 19, No. 6, pp. 947-966.

National Assembly for Wales (2001), *A Review of Tenant Participation in Wales,* National Assembly for Wales, Cardiff.

Nazroo, J.Y. (ed.) (2006), *Health and Social Research in Multiethnic Societies*, Routledge, London.

Newman, J. and E. Vidler (2006), "Discriminating Customers, Responsible Patients, Empowered Users: Consumerism and the Modernisation of Health Care", *Journal of Social Policy*, Vol. 35, No. 2, pp. 193-209.

NRU (Neighbourhood Renewal Unit) (2005), *Making Connections: An Evaluation of the Community Participation Programmes,* Office of the Deputy Prime Minister, London.

O'Neill, M. and P. Simard (2006), "Choosing Indicators to Evaluate Healthy Cities Projects: A Political Task?", *Health Promotion International*, Vol. 21, No. 2, pp. 145-152.

Oakman, B. and Smart Consultancy (Scotland) Ltd. (2007), *Interim Evaluation of the Community Voices Network,* Communities Scotland, Glasgow.

ODS Consulting (2006), *Evaluation of the Effective Engagement of Communities in Regeneration,* Communities Scotland, Edinburgh.

ODS Consulting (2007), *Evaluation of the Implementation of Regeneration Outcome Agreements*, Communities Scotland, Edinburgh.

Oliver, M. (1990), *The Politics of Disablement*, Macmillan, Basingstoke.

Poole, D.L. (1997), "Building Community Capacity to Promote Social and Public Health: Challenges for Universities", *Health and Social Work,* Vol. 22, No. 3, pp. 163-170.

Priemus, H. and F. Dieleman (2002), "Social Housing Policy in the European Union: Past, Present and Perspectives", *Urban Studies*, Vol. 39, No. 2, pp. 191-200.

Priestley, M. (2002), "Whose Voices: Representing the Claims of Older Disabled People under New Labour", *Policy and Politics,* Vol. 30, No. 3, pp. 361-372.

Purdue, D., *et al.* (2000), *Community Leadership in Area Regeneration,* Policy Press, Bristol.

Raeburn, J., *et al.* (2006), "Community Capacity Building and Health Promotion in a Globalised World", *Health Promotion International*, Vol. 21, No. S1, pp. 84-90.

Rafelito, A. and N. Wallerstein (2004), *Tribal Community Capacity Building: Mixed Methods*, paper to American Public Health Association Meeting, November, mimeo.

Robinson, F., K. Shaw and G. Davidson (2005), "'On the Side of the Angels': Community Involvement in the Governance of Neighbourhood Renewal", *Local Economy*, Vol. 20, No. 1, pp. 13-26.

Rowe, M. and C. Devanney (2003), "Partnership and the Governance of Regeneration", *Critical Social Policy*, Vol. 23, No. 3, pp. 375-397.

Scarman Trust (2008), *Community Champions Award,* Impact Report London Region, Scarman Trust, London.

Secretary of State for Health (1997), *The New NHS: Modern, Dependable*, Cm 3807, The Stationery Office, London.

Shapely, P. (2008), *Social Housing and Tenant Participation* at *www.historyandpolicy.org/papers/policy-paper-71.html*.

Shirlow, P. and B. Murtagh (2004), "Capacity Building, Representation and Intracommunity Conflict", *Urban Studies,* Vol. 41, No. 1, pp. 57-70.

Simmons, R. and J. Birchall (2005), "A Joined-Up Approach to User Participation in Public Services: Strengthening the 'Participation Chain'", *Social Policy and Administration*, Vol. 39, No. 3, pp. 260-283.

Simmons, R. and J. Birchall (2007), "Tenant Participation and Social Housing in the UK: Applying a Theoretical Model", *Housing Studies*, Vol. 22, No. 4, pp. 573-595.

Simonsen-Rehn, N., *et al.* (2006), "Determinants of Health Promotion Action: Comparative Analysis of Local Voluntary Associations in Four Municipalities in Finland", *Health Promotion International*, Vol. 21, No. 4, pp. 274-283.

Skinner, S. and M. Wilson (2002), *Assessing Community Strengths: A Practical Handbook for Planning Capacity Building*, Community Development Foundation, London.

Smith, N., *et al.* (2008), "Great Expectations and Hard Times: Developing Community Indicators in a Health Communities Initiative in Canada", *Health Promotion International*, Vol. 23, No. 2, pp. 119-126.

Social Exclusion Unit (2001), *A New Commitment to Neighbourhood Renewal*, National Strategy Action Plan, Social Exclusion Unit, London.

Somerville, P. (2004), *Transforming Council Housing*, paper presented at Spring Housing Studies Association Conference, Sheffield Hallam University, 15-16 April.

Taylor, M. (2000), *Top Down Meets Bottom Up: Neighbourhood Management,* Joseph Rowntree Foundation, York.

Taylor, M., *et al.* (2007), *Changing Neighbourhoods: Lessons from the Joseph Rowntree Foundation Neighbourhood Programme*, Policy Press, Bristol.

Taylor, R. (2003), "Indigenous Community Capacity Building and the Relationship to Sound Governance and Leadership", paper to Australian Indigenous Leadership Centre, Canberra, National Conference, June, mimeo.

Thomas, S. and P. Duncan (2000), *Resourcing Community Involvement in Neighbourhood Regeneration*, Joseph Rowntree Foundation, York.

TIS (Tenant Information Service) (2000), *Involving Tenants in Regeneration*, Tenants Information Service, Glasgow.

Wadhams, C. (2006), *An Opportunity Waiting to Happen, Housing Associations as Community Anchors*, HACT, London.

Weinstein, J. (2006), "Involving Mental Health Users in Quality Assurance", *Health Expectations*, Vol. 9, No. 2, pp. 98-109.

Weinstein, Z. (2008), "Citizen Participation – The Case of Israel Project Renewal", *Journal of Urbanism*, Vol. 1, No. 2, pp. 129-155.

White, A. (2006), "Decentralisation, Governance and Capacity Building in Cambodia", *Local Economy*, Vol. 21, No. 4, pp. 423-428.

Williams, J. (2006), "Community Participation: Lessons from Post-Apartheid South Africa", *Policy Studies*, Vol. 27, No. 3, pp. 197-217.

Williamson, A.P., R.S. Beattie and S.P. Osborne (2004), "Addressing Fragmentation and Social Exclusion through Community Involvement in Rural Regeneration Partnerships", *Policy and Politics*, Vol. 32, No. 3, pp. 248-263.

Wistow, G. (2002), "The Future Aims and Objectives of Social Care" in L. Kendall and L. Harker (eds.), *From Welfare to Wellbeing*, London: Institute of Public Policy Research, London, pp. 38-67.

Worley, C. (2005), "It's Not About 'Race', It's About the Community. New Labour and Community Cohesion", *Critical Social Policy*, Vol. 25, No. 4, pp. 483-496.

Young, S. (2000), "Participation Strategies and Local Environmental Politics: Local Agenda 21", in G. Stoker (ed.), *The New Politics of British Local Governance*, Macmillan, Basingstoke, pp. 181-197.

Chapter 3

Community Capacity Building and the Local Economy: Private, Government and Non-profit Approaches

by
Andy Westwood, Visiting Professor at London South Bank University and Adviser to the UK Government in the Department for Communities and Local Government, United Kingdom

This chapter considers the theories of community capacity building and social capital and their connections and inter-relationships with strategies to develop and sustain local economies. Theories and policies are described, and a series of international examples provided that show how policy makers' ambitions to boost economic development and community capacity building should be delivered in unison. The chapter explores a series of examples from the private, public and non-profit sectors, including policies that promote inward investment, local entrepreneurship and franchised business development, as well as new and alternative models for social and economic business development such as co-operatives, time banks, reinvestment trusts and local exchange trading schemes. Specific examples of firms and experiences in North America and Europe, focusing on deprived areas in cities such as Chicago, Birmingham, Leeds, Barcelona and Stockholm and on rural economic development in Canada and Italy, are detailed.

Introduction

> These unhappy times call for the building of plans that build from the bottom up and not from the top down, that put their faith once more in the forgotten man at the bottom of the economic pyramid (Franklin D. Roosevelt, radio broadcast, 7 April 1932).

We are living through an extraordinary economic moment in history. The free market, underpinned by a high risk taking global banking system is in near collapse. Politicians, academics, commentators and ordinary citizens are speculating about the short, medium and longer term consequences of worldwide recession. The theories of free market capitalism and economic development, trickledown economics – for so long unchallenged by the mainstream – are under attack. A radical mix of old and new ideas are once more in the ascendancy. From a reinvention of Keynesianism to an expanded role for governments and the social economy, the rules are being rewritten. All of this at a time when many communities that benefit from EU structural funds are still on the long haul back from previous recessions or the consequences of structural change in national and European economies.

In October 2008 to the US Congress House Oversight and Government Reform Committee, the former US Federal Reserve chairman Alan Greenspan admitted that he could never have envisaged the "once-in-a-century credit tsunami" that has wreaked havoc on national economies throughout the world. Greenspan, who led the Federal Reserve for nearly two decades, said the financial crisis had "turned out to be much broader than anything I could have imagined". And he warned the economic meltdown will drive millions of people out of work: "I made a mistake in presuming that the self-interests of organisations, specifically banks and others, were such as that they were best capable of protecting their own shareholders and their equity in the firms. The mistake was fundamental."

Greenspan admitted that his view of the world that had served and defined the world economy had been "absolutely, precisely" wrong. Greenspan said, "You know, that's precisely the reason I was shocked, because I have been going for 40 years or more with very considerable evidence that it was working exceptionally well."

The wisdom of Greenspan, and that of most economists, commentators and politicians, is now in question. Their collective view of the world – their

understanding of how economies function – is in serious doubt for the first time in thirty years. But despite the prevailing orthodoxies of governments and academics, economic growth has been unevenly distributed in different places for just as long. For many regions and localities the last twenty to thirty years have not been an economic or social success story.

Despite nearly twenty years of rapid and widespread global growth, there have been thousands of communities around the world – in both developed and developing countries – that have not benefitted as others have. These are the places that have been increasingly dislocated from the prosperity experienced in other countries and communities. High unemployment and deprivation has remained a major challenge in many regions, towns, cities and rural areas, alongside poor health, low education, inadequate housing and transport and high levels of dereliction, unemployment and crime.

In such places, governments – at the local, regional, national (and at EU) level – have rarely stood by without intervention. Many policies have been designed to boost education, employment and enterprise in order to catalyse the economic regeneration of such places. In some extreme cases whole communities have simply been cleared away. In many places there have been social as well as economic interventions. Governments have tried to rebuild and repair communities in other ways – by developing social as well as human and physical capital – and by building a community's capacity to grow, to function and to sustain growth and well-being.

But we should be wary of confusing crisis with turbulence and change. Before the global "credit crunch", it was already true that in the US, in any one economic quarter, roughly one in four job matches would either start or come to an end, one in thirteen jobs would be created or destroyed, and one in twenty firms would enter or exit a sector (Brown, Haltiwanger and Lane, 2006). Consider the local consequences of these statistics; no sector, city or region is exempt from these transformations. Whatever the potential of policies to build community capacity and economic growth, there will be no guaranteed return to the stability or certainties of the past.

So as a period of negative growth is approached, the relationship between social capital and economic development changes significantly. Instead of asking how social capital and community capacity building can help to promote economic growth, the question may be rephrased to how it can help to preserve economic activity, capturing and sustaining the economic activity promoted in recent years and developing an overall economic and social resilience amidst deteriorating economic condition.

It is often difficult, to practically differentiate between the terms "capacity building", "community capacity building", "community development" and "community engagement" as the other chapters in this publication show. But for

the purposes of this chapter it doesn't really matter. What matters is whether the development of these concepts can contribute to the conditions necessary for economic development.

How can social capital in communities be developed so that sustainable economic development is more effectively achieved? What strategies should be pursued in order to maximise both social and economic development and inter-relationships between the two goals? In this chapter the relevant definitions and strategies of community capacity building and how they relate to policies and ambitions for economic development in deprived areas will be considered.

The role of social capital

> When a city heart stagnates or disintegrates, a city as a social neighbourhood of the whole begins to suffer: people who ought to get together, by means of central activities that are failing, fail to get together. Ideas and money that ought to meet, and do so often only by chance in a place of central vitality, fail to meet. The networks of city public life develop gaps they cannot afford. Without a strong and inclusive central heart, a city tends to become a collection of interests isolated from one another. It falters at producing something greater, socially, culturally and economically, than the sum of its separated parts. (Jane Jacobs (1961), *The Death and Life of Great American Cities*.)

Jane Jacobs is best known for her views on the decline of social capital and economic deterioration in American cities. But her understanding of how a local economy is linked to a sense of community has a much wider application. The need to understand the social needs of people and communities as a way of understanding the real economics of place are important to this discussion of economic development and community capacity.

Robert Putnam's theories on the importance of social capital, as described in *Bowling Alone: The Collapse and Revival of American Community* (2000), are also important in this debate. He describes how social capital differs from more traditional and tangible notions of capital: "Whereas physical capital refers to physical objects and human capital refers to the properties of individuals, social capital refers to connections among individuals – social networks and the norms of reciprocity and trustworthiness that arise from them."

The basic premise of both Putnam and Jacobs are that the interaction between people builds communities, shared values and virtues, behavioural and social norms and a social fabric in which a society and an economy can function more effectively. At its fundamental level, social capital explores the strength and density of social networks that people are engaged in; the extent

to which they are engaged with others in informal social activities; and, their membership of groups and associations.

Social capital concerns the "bonding" (exclusive) or "bridging" (inclusive) nature of social bonds. Bonding social capital can be beneficial but tends to be more exclusive by bringing like-minded people together, and can even be explicitly negative, such as by excluding people based on ethnicity. Bridging social capital is more inclusive and allows communities to be more permeable to ideas and people from outside. In economic terms there are advantages to both, with development able through each definition. Jacobs (1961) talks of the need for import replacement as an ambition for cities in the past and bonding social capital (buying locally made or sourced goods, trading with local supply chains) can help development in those terms. However, in a more globally structured economy, the need for bridging social capital may be more desirable. Enterprise and human capital is more free-flowing, innovation more likely, and people ever more mobile, whether as highly skilled migrants or as refugees.

But social capital of any form can improve the environment for economic transactions to take place, both within communities and between trading partners over distance. Putnam and others argue that business costs (and the costs of operating public services and infrastructure) are lower in, as well as between, areas with higher levels of civic engagement. Because mutual trust is higher, networks can bring together business people more regularly and effectively so there is less need to build in the additional costs of specific time and places for people to meet and do business. Conversely, in lower trust environments, business will take place less easily and with more costs for organising transactions such as legal costs, neutral spaces, intermediary organisations and greater regulation.

An extremely broad range of activities can help to promote and sustain social capital. Nor is there a monopoly on the development of social capital by a single actor. Many associations spring out of mutual interests and hobbies but an organisation can come from almost any interest, context or environment. They can be local and informal or national and highly organised – or both as well as almost everything between. Aside from the social economy, public sector organisations are very common and extremely important as they often provide physical space and resources in which people can come together as well as a set of common purposes. Schools and their Parent Teacher Associations are vital anchors for community capacity in every part of the world. Perhaps as important is the fact that social capital is also generated by and within the workplace – from large private sector firms and industries to small businesses and enterprises in any and every locality. Putnam's bowling leagues often stemmed from the office or the factory, mineworkers across Europe formed sports teams and other clubs and trade unions, chambers of commerce, Rotary and Lions clubs have all been major catalysts and spaces for creating

social capital within communities. Importantly, these have provided both bonding and bridging capital, bringing together workers and their families from locations beyond the initial office or factory location. In many places this workplace generated capital has also endured after the host employer has disappeared or the individual workers have left or retired. In the UK, colliery brass bands and male voice choirs have continued long after their mines were closed down.

Examples of the social economy

The social economy, also sometimes referred to as the third sector, is seen as important producers of social capital and civic engagement – but as discussed above, they are amongst many that contribute to the building of overall community capacity. Although voluntary groups and non-profits typically have community or social outcomes as their main organisational objectives, they are by no means the only ones that do so. It is, however, widely accepted that social capital and the social economy have an important role to play in community capacity building. The strong links between social economy organisations and the territories in which they operate has been seen as an important factor in the role they play in the development of social capital (Noya and Clarence, 2007). In the specific field of economic development for example, the local social economy is thought to be more likely to lock more economic benefits within a community than enterprise from the private sector.

The "social economy" has been a term in use by the European Union since 1989, when a special unit of the European Commission's General Directorate Employment and Social Affairs was established to consider social economy issues. At the 1997 European Council meeting in Luxembourg, member states agreed to examine the opportunities to create employment through the social economy, defining it as a collection of four types of organisational forms: co-operatives, mutuals, associations and foundations (Westlund, 2003).

The origins of the social economy demonstrate these definitions. The history of social and community enterprises as a formal movement can be traced back to the mutual, self help and co-operative sector pioneered by the Fenwick Weavers in Ayrshire in the late 18th century and the Rochdale Pioneers in the late 19th century. Within the development of this movement there has always been an important strand which has focused on the local community-based nature of these organisations and also on the economic development of poorer communities, including the need to maintain paid work and household as well as community income, as will be explored in the Canadian case study below.

But before the contribution that the social economy can make to community capacity building and to economic development is explored, it is vital to

acknowledge that they provide only one of many routes rather than a magic elixir. Overall outcomes in terms of either social capital or economic development are likely to be maximised if all creators of community capacity are harnessed and aligned. Furthermore, as discussed in the theoretical definitions above, it is likely that the conditions are best overall when the boundaries between sectors and between different producers and contexts are blurred or intertwined. So the best strategies for community capacity building tend consciously to bring together sectors, objectives and methods in order to develop capacity.

The community idyll?

In discussions about re-engineering social capital or building community capacity, it seems tempting to re-imagine or to rebuild what has been lost in recent years. Putnam describes the high levels of social capital in 1950's America with his descriptions of bowling leagues and community groups springing from neighbourhoods or dominant industries of the time. Robert Reich evokes the same images of pre- and post- war American society:

> Communities used to pick up where families left off. Home schooling gave way to the local public school; the very sick moved from home to the local hospital; libraries and playgrounds provided access to expensive facilities few families could afford on their own. Think of a community' and you're likely to picture a place where people look after one another – a traditional neighbourhood, church, voluntary association, New England town meeting, frontier barn raising, quilting bee, volunteer fire department, charity supper. (Reich, 2002)

In the UK, there are similar yearnings. The New Economics Foundation (NEF) describes the death of the traditional British high street in "Ghost Town Britain", and the emergence of identikit town centres in "Clone Town Britain" (Simms *et al.,* 2005). Between 1995 and 2000, the UK lost 20% of some of its most vital institutions: corner shops, grocers, high street banks, post offices and pubs, amounting to a cumulative loss of over 30 000 local economic outlets. NEF believes that both point to a need to support and re-establish a wave of small, community orientated local shops and businesses. Community capacity building and/or economic development should not be an attempt to recreate the communities or businesses of the 1950s. The world – its people and its economy – has simply changed too much, and according to both Putnam and Reich in particular, it is wrong to see a period of social decline from some halcyon period after the Second World War.

We should guard against the assumption that the past, or an alternative vision of the future, are the only or the most appropriate visions for the future of communities today. Both Putnam and Reich describe new forms of social capital, of "belonging" and of new communities amidst a rapidly changing

society and economy. Today online communities such as Facebook or Bebo are as likely and as common as local social gatherings. Online "communities of practice" are as common in professions as groups based on or in a dominant local workplace. Society, technology and the economy is not the same as the 1950s and neither are the people who live, engage or work today. We are more mobile, more ambitious, richer, healthier, living longer, more likely to do many different jobs and in many different places. It is clear that the concept of community is changing. Nevertheless, the geographic, indeed local, element cannot be overlooked.

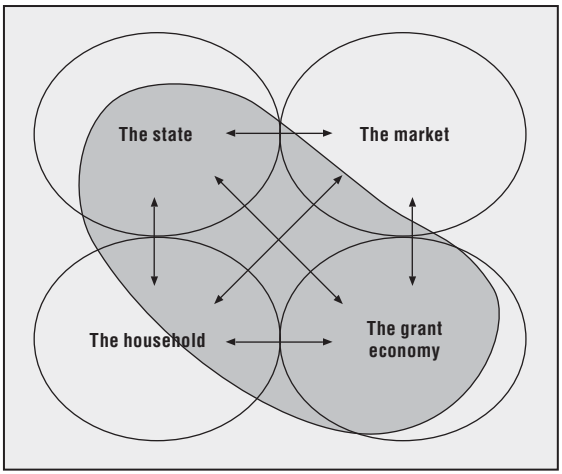
The impact of industrial restructuring and the social consequences of high levels of long-term unemployment has been one factor which led to the resurgence of the social economy (Noya and Clarence, 2007). Local Economic Trading schemes (LETS), credit unions, community shops and businesses, development trusts and a new wave of other not-for-profit or community interest organisations are all examples of the resurgent social economy. It was argued that such initiatives, still largely on the policy margins, could provide self-help safety nets for disadvantaged people in an increasingly volatile globalised economy (Birkhölzer, 1996; Douthwaite, 1996), as well as contribute to challenging social exclusion (Noya and Clarence, 2007). Connections in ideology and ideals can be made here to international movements: from the South Shore Bank in Chicago, set up for disadvantaged poor in the USA, to the micro-credit and women's co-operatives in many developing countries such as the Grameen Bank in Bangladesh.

There are wide-ranging debates about how best to build a sustainable economic future either nationally (Shah and McIvor, 2006) or in a deprived town, city or rural community (Simms, 2008; Simms *et al.*, 2008), and what the role of various actors is in this process. In truth, the reality in most locations was that a market economy had likely sustained a community over many years prior to decline. So despite the widespread backlash against free markets and the global economic system, it is important to understand that the reconstruction of a community will at least partly depend on markets, capital and enterprise if economic development is to be sustainable and of most benefit to any given locality. A key question therefore becomes how to combine the private sector and the social economy to best capture and maximise such effects.

Whilst no single sector has a monopoly position in the social economy, all sectors contribute significantly to it and its strength in any given place. Private enterprises still engage with and contribute to the social economy through corporate social responsibility, such as through sponsoring a local football or netball team, through contributing prizes to school raffles and by sourcing fair trade or local produce through a supply chain. Households and families, also form a critical part of the social economy both through labour in the

household, and via the contribution to the substance and direction of the social production of informal networks. The grant economy is a source of local finance and investment but usually from outside a given community – from larger trusts and charitable bodies, but also from government bodies nationally and internationally such as through the World Bank or the European Union's Social Fund. The state provides institutions and investment but typically as part of national service or policy frameworks – all provide spaces and support for the social economy to develop whilst not promoting or funding it *per se*. The shaded area in Figure 3.1 below therefore represents those parts of each of the four principal sectors that together constitute the social economy.

Figure 3.1. **The social economy**



Source: Murray, Mulgan and Caulier-Grice (2008).

So we should not see a major distinction between the market and the social economy or indeed a choice between them as a route to social development or innovation. As Murray, Mulgan and Caulier-Grice (2008) argue, the 21st century has developed a "more complex set of relations as the market reaches into the state, and the state into the market, and as both find new accommodations with civil society and the grant economy".

The combination of the household, the formal and informal economy, the availability of grants and finance and the role of public services raises fundamental questions about how capacity building can improve the interactions between them all. This is where the third sector and social economy organisations have often been in the lead – generating new ideas, theories and practical methods for economic development and capacity building in deprived communities.

Human capital and time banking

The idea of using and trading in community time has been one particularly effective and now widespread phenomenon involving individuals and organisations from public, private and voluntary organisations. An excellent example of social innovation, "time banking", was originally conceived by Edgar Cahn, a civil rights lawyer from the US, who also described this mutual use of skills and services as "community co-production". Through the combination of time and skills, bank members can be affirmed as partners with their own skills and economic value. This is one practical way of blurring the divisions between the formal and informal economies or the household and other sectors in the Young Foundation's model.

Cahn (and other organisations such as the New Economics Foundation and Demos in the UK) see the time banking movement as a way of creating a sustainable pathway into economic development for a community and for individuals to get paid jobs by providing an informal support network for people having trouble holding down or accessing regular work. In a speech to the NEF in 2001 Cahn highlighted the importance of time banks:

> People who get jobs often lose them because of breakdowns in their fragile support systems. Their child gets sick and can't be sent to a child care provider; the child care provider gets sick. The car breaks down. An emergency comes up. And the person has no money to secure the back-up help needed so absenteeism and job loss follow. If there was a Time Dollar Temp Agency available, they could use Time Dollars to secure the kind of support needed (at a price they could afford). Once again, locating the Time Dollar in an Employee Mutual Association or linked to the Employment Centre or Agency that had secured them the placement would work to improve job retention and adjustment to the demands of regular work.

The bottom-up approach which the time bank epitomises, demonstrates the way in which people and organisations can respond to pressing needs in socially innovative ways. Time money illustrates a new work-life agenda because it recognises that unpaid work, as has been the case in most cultures over time, is based on reciprocity (Ryan-Collins, Stephens and Coote, 2008). This has the double benefit of improving social capital as well as human capital in the form of employability and specific skills. While still little more than a pioneering set of pilots into new models of work, they demonstrate that it is possible to innovate and develop new structured ways of developing self-esteem, access to goods, services, information, skills development or personal fulfilment in return for unpaid labour. It stimulates social capital and improves economic conditions either by pushing up the skills that people will trade and through the process as a way of gradually taking on more skills, work practices. All of this is likely to create an improved likelihood as well as capacity for paid

work by the individual as well as income and economic development for the community.

There are currently over 200 "service credit projects" running in the US. Essentially, the system is based on equality: one hour of help means one "time dollar", regardless of the service performed, enabling disaffected 16 year olds working as mentors to younger children to "earn" the same as, for example, a qualified accountant helping a local business with its VAT returns. Credits are kept in individual accounts by "time banks" (basically, a credit/debit system on a PC), with credits and debits tallied regularly. Some banks provide monthly balance statements to its members.

Time dollars record, store and find different ways of rewarding transactions where "neighbours help neighbours", acting as a kind of recognition for the contribution which they make. Although the scheme recognises what people do for each other in the community, time dollars can also be spent, or donated to others. Although service credits are often classed as volunteering, the reciprocal value makes it in some ways exactly the opposite: people who were once labelled "recipients" or "clients" can become participants. Members phone up their local time dollar organiser, explain what they need, and the computer matches them with a "volunteer". Their account is debited, and the volunteer gets credited for the time. The system brings local people together to provide services like lifts to the doctors or shops, "grand-parenting" and mentoring, baby-sitting, house repairs and so on.

The first projects received widespread publicity in the US and were aimed mainly at providing non-medical services for old people, but time dollars are now being brought to bear on a range of other social problems, from local economic collapse through to under-achievement in inner city schools. When they are spent, they are simply deleted. They do not sit in bank accounts earning or incurring interest.

Time dollar projects now range from MORE in St Louis and Member-to-Member in New York City, both involving thousands of members, to local "time banks" in cities from Honolulu to Maine. In Missouri, time dollar earnings are guaranteed by the state. In Miami, the system has been taken over by the whole community, who trade services with each other without real dollars across Florida's cultural divisions. In Brooklyn, time dollars fuel an alternative economy for old people – ranging from telephone bingo to bereavement counselling. In Chicago, over 1 000 elementary pupils have earned time dollars by taking part in a peer tutoring programme. After the first year, half of those earned the 100 time dollars necessary to buy a recycled computer, with parents putting in four time dollars in order for their children to make the purchase. One college in upstate New York has redesigned its loan programme

so that student loans can be paid off partly in time dollars – partly, in other words, by their volunteer involvement with the local community.

Time banking is therefore a powerful idea and animator of community capacity. It also has the potential to build both the capacity of a community and the capacity of individuals within it. It keeps social and economic benefits firmly within a community. It is also powerful for another reason – and one that coincides very clearly with the aims of many governments – reciprocity. It shows that individuals can develop new skills, self-esteem, access to goods, services, information or personal fulfilment in return for their time and their commitment. It is the modern equivalent of the "gift relationship" – a social "glue" that helps society to work better.

Time banking, volunteering and the accumulation of rights and assets by individuals can be matched with financial assets if seen as a valid "contribution" or equity. Governments or other grant-making bodies can match this equity, knowledge and commitment with financial investments in individuals such as in shared equity housing schemes, contributory adult learning accounts or wider savings programmes such as universal banking accounts or asset development programmes for disadvantaged groups and individuals.

Time banking may ultimately be no substitute for real financial and other physical resources. Real money has real importance particularly in deprived communities where it is in short supply. But as a way of ultimately matching people into the formal paid economy as well as building human and social capital within a community it is a significant movement.

Local Exchange Trading Schemes (LETS)

The idea of social equity – where both time and money can be traded in return for services is in effect an extension of "social" bartering – looking after other people's kids, running errands, lending time or equipment to neighbours and so on. Local Exchange Trading Schemes (LETS) are long-established in the UK, continental Europe and the US and have much in common with the idea of time banking. All generally have a list of products and services on offer and a formal accounting scheme that records "community time" in the form of a tradeable currency. According to the New Economics Foundation there are currently over 350 such schemes in the UK, including the "Stroud" in Gloucestershire, the Greenwich "Anchor" and the Bath "Oliver" (Simms *et al.,* 2005). Many parents in the UK might not realise that their membership of mutual babysitting circles using matchsticks or monopoly money as currency are in fact LETS schemes.

Diane Coyle (1998), author and leading economist has charted their growth, "LETS schemes started as a means of overcoming the constraints imposed by lack of money in a poor community or during a recession. The

schemes reduce the need for money and potentially offer a social network and sense of self worth to the people taking part, often those like the long-term unemployed who have been steadily excluded from the conventional economy".

LETS currency typically stays in local areas and therefore starts to boost the local economy through a standard economic multiplier effect whereby what one person earns is spent in turn on another service. This enables economic gain to "stick" to local areas and in turn to communities and individuals. In the US, the Rockefeller Foundation is offering start-up funding to LETS schemes in inner city areas and with disadvantaged groups in order to aid economic development.

The same philosophy underpins the development of local or community currencies which have been widely adopted across Asia, Africa, Europe and the Americas. Local currency schemes are tradable within specific communities and have long been promoted as a way of enabling local communities to exchange locally produced goods and services in order to stimulate economic activity. In Japan there are hundreds of local currencies, some working as LETS scheme, which allow people living away from their parents to help elderly people where they live and send home "vouchers" with which their own parents can buy help, whilst others remain rooted in local communities with goods and services bought and sold using the local currency. Support for local currencies is rooted in the belief that they make an important contribution to local economic development, and have also been taken up as a tool for promoting low-carbon, sustainable development.

LETS and local currency schemes provide many useful pointers for the operation of social equity programmes – specifically that they are best operated from within communities rather than by external or newly formed third parties. It is also apparent that the best schemes can provide participants with "equity" on a number of levels. Firstly, they cover community and personal value – in that individuals see an immediate benefit in taking part (children looked after, building service provided, cash earned etc.); secondly, they might provide a labour market entry – where experience counts toward future job applications and, thirdly, they might provide learning equity – where qualifications or credits are accumulated through social or community activity.

What is evident is that locally based schemes, such as LETS and local currency, are not only socially innovative, but that they can play a critical role in creating, fostering and sustaining social capital, which in turn is important not only to wider community capacity building, but also to local economic development. Indeed, the social foundations for economic development should not be overlooked, social trust cuts transaction costs and can help promote investment.

Credit unions

Credit unions – like banks and building societies – provide the finance through which private and social enterprises can trade, deliver services and invest. But throughout the world credit unions offer much more than basic financial services. They enable "members" to develop a financial system, lend money to small businesses, build family homes and other infrastructure, and develop public services. In some countries, "members" are also likely to be developing their own local democratic systems – often for the first time. In some cases, such as Canada's Advantage Credit Union (*www.advantagecu.ca*), they offer a vehicle to match financial equity with "sweat" equity so that members can improve access to resources by their hard work and investment of time. In this case they can provide an "intersection" between economies and sectors by bringing together human and social capital with physical and financial resources. Like traditional banks they can "convert" the different currencies operated by the different economies in the Young Foundation's model of the social economy. This makes them a vital "animator" of the social economy and of community capacity.

Credit unions began in 19th century Europe, when Franz Hermann Schulze-Delitzsch established the first credit unions in Germany to give those lacking access to financial services the opportunity to borrow from the savings pooled by themselves and their fellow members. Worldwide, there are now more than 46 000 credit unions in nearly 100 countries serving an estimated 172 million people – a statistic that is growing rapidly year on year. What unites all credit unions is their approach: credit unions exist to serve their members and communities and are democratic, member-owned financial co-operatives. As not-for-profit co-operative institutions, credit unions use excess earnings to offer members more affordable loans, a higher return on savings, lower fees or new products and services, and typically high standards of advice and personal support. Each member, regardless of account size in the credit union, may run for the board and cast a vote in elections. As financial intermediaries, credit unions finance their loan portfolios by mobilising member savings and shares rather than using outside capital. This differentiates them from the external grant economy as described by the Young Foundation in Figure 3.1 (above).

Credit unions can offer savings and great value loans plus they are local, ethical and know what their members and communities need. So they are more likely to have local knowledge and networks as well as local development objectives. Some credit unions will also offer mainstream financial products amongst their range of services including current accounts. Each credit union has a "common bond" which determines who can join it. The common bond may be for people living or working in the same area, people working for the

same employer or people who belong to the same association, such as a church or trade union.

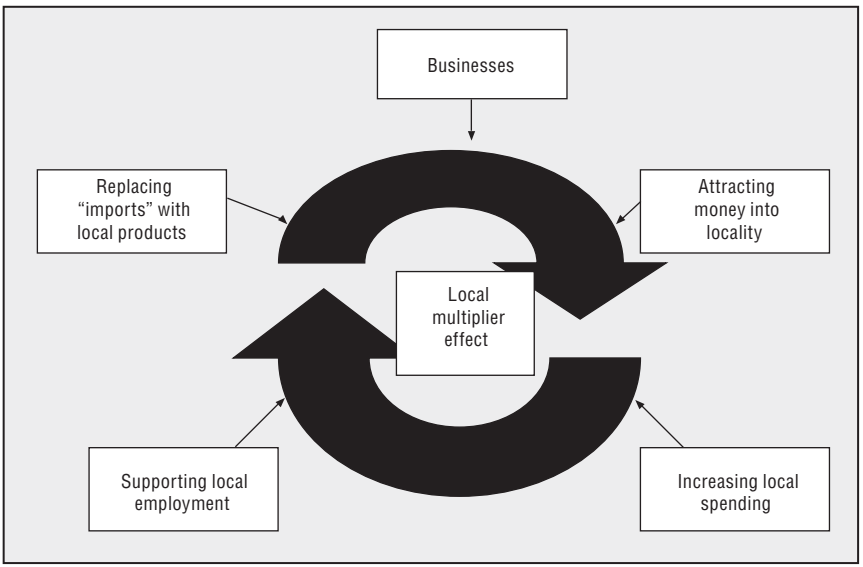
The local multiplier effect in deprived areas

All attempts to increase activity and "trade" within a given area are vital to increasing economic development and community capacity. To be most effective there needs to be a series of "contributors" to the overall wealth and resources within an area and an ability to keep as much as possible circulating within that area and not leaking away.

The social economy's attempt to increase finance, of any sort, flowing through more disadvantaged communities is vital. Financing is a key aspect of the social economy and also to the development of social capital, as well as for broader economic development. By locking in growth – whether through social firms, grants, third sector or local enterprises – poorer communities will more rapidly build both economic and social assets. This is clearly shown below in Figure 3.2.

The cycle of economic disadvantage rapidly becomes locked into successive downward spirals caused by a lack of jobs, investment and structural capacity. Rebuilding such areas requires actions and interventions at the community or locality level in order to introduce upward spirals of broad activity that will in turn lock-in local spending and build community capacity. Making jobs and

Figure 3.2. **The local multiplier effect**



Source: Reproduced with permission from Westall, Ramsden and Foley (2000).

broad economic activity stay in, or close to, local areas starts to boost the local economy through a standard economic multiplier effect whereby what one person earns is spent in turn on another service. This enables economic gain to "stick" to local areas and in turn to communities and individuals.

This is a highly desirable outcome, given that research from the Brookings Institute suggests that poor areas lose up to 70% of local expenditure as they lack the employment structure to "keep the money in" (Katz, 2004). NEF in the UK has prioritised local enterprise as an important element to creating sustainable local economies that provide a permanent route out of poverty and disadvantage for inner city neighbourhoods. It has analysed the "leaky bucket" effect that they argue sees money simultaneously pouring in and out of poor neighbourhoods because non-community based enterprises provide goods and services and quickly take away the profits.

Components of economic renewal

The NEF model of the local multiplier effect shows how strategies for improving economic development at the local level are likely to be a combination of national and local initiatives. Some key ingredients for economic renewal will inevitably depend on the national policy frameworks within which the locality exists. To this extent, there will be a raft of policies and responsibilities held and delivered at different levels that will stimulate growth in deprived areas. Almost all will have some local dimension or mechanism through which local communities and individuals can help to shape the services and policies that are delivered.

Broad policy areas that are commonly in place to help stimulate economic development and generate social capital and community capacity can be categorised as follows:

- human capital (education and skills) – policies for young people and adults;
- "Welfare to Work" (to address high numbers of resident workless and consequences of unemployment) and anti-poverty policies;
- area-based regeneration and enterprise policies;
- public service delivery (the impact and value of key services such as hospitals and health centres, local transport, welfare services, local governance, housing services, emergency services such as the police force, etc.);
- public investment strategies (infrastructure, capital projects, new service developments);
- wider policies aimed at stimulating enterprise and economic growth; and,
- wider policies aimed at promoting social capital, community capacity and/or community cohesion.

National policy frameworks that deliver these broad areas are longstanding, but their harmonisation into area-based initiatives – often with more concerted local action and interventions – is less well established. Just as global economic change has restructured the world's economy with increasing speed, so too has the need for governments and communities to manage the legacies of that economic change. These are deeply felt and difficult processes for individual communities but they have proved inevitable whether national governments have promoted protectionist or free market policy frameworks.

For many right of centre or free market governments the last three decades have seen the uncomfortable local consequences of industrial change not least because local areas require some sort of local response. Even right of centre governments such as those in the UK under Margaret Thatcher in the 1980s or the US under George W. Bush over the last eight years have felt the need to develop a policy framework with a series of specific state interventions. This is not the natural policy territory of such governments, although some areas of their public policy approach and orthodoxies have been more adaptable to deprived local areas. The three obvious interventions have been welfare to work and active labour market policies, schemes to enhance human capital and skills (especially for adults) and perhaps the most important of all, the development of enterprise and free market based solutions in distressed areas. "Only government can take the lead; and it will succeed only if it enlists in an imaginative and long-term programme for the inner cities the same energy and enterprise that first built what must now be rebuilt" (Heseltine, 1987).

People living in deprived communities and also those from disadvantaged groups in the labour market are, historically, the least likely to start and run their own businesses and to succeed if they do. They also have a variety of other problems that add to this, such as poor access to financial support and advice, low skills, poor infrastructure and often have to confront labour market discrimination. Such issues tend to significantly limit both aspirations and the potential to succeed in starting and growing small businesses.

As Michael Porter has pointed out, the inner city should not be seen as a no-go area for enterprise; furthermore, enterprise based approaches are the ones most likely to succeed in turning such communities around over the longer term. "Even the most distressed cities have potential for economic development through the nurturing of enterprise. By concentrating on economic advantage rather than social disadvantage we can promote fresh thinking and new approaches to old problems."

But there are huge barriers to address before enterprise and self employment can form such a dominant role in regenerating deprived communities. Research from the UK shows that compared to people in other

areas and from other less disadvantaged groups, residents of deprived inner city areas are:

- twice as likely not to have a personal bank account;
- less likely to be able to produce business accounts;
- more likely to have lower incomes from full-time self-employment; and,
- less likely to own their own home or to hold significant financial assets.

And yet these are the places where such growth and subsequent employment demand is in most need – particularly in the inner city areas of the world's biggest urban areas.

Business start-up rates vary dramatically both between and within regions in England. For example, VAT registration statistics for 2002 show that there were 57 new VAT registrations per 10 000 residents aged 16 or over in London and 44 in the South East, but only 31 in Yorkshire and Humber and just 21 in the North East. Excluding London, the 20% most deprived Local Authority districts in England had 27 start-ups per 10 000 residents, compared to 51 in the least deprived districts, and 70 of the 88 Neighbourhood Renewal Fund local authority areas in England have registration rates below the national average (HM Treasury, 2004; Small Business Service, 2003).

But evidence from the USA suggests that inner city areas have some important competitive advantages and that these advantages can stimulate new enterprises and small business growth. In his analysis of the competitiveness of inner city locations, Porter sets out four key advantages:

- Strategic location at the heart of major business centres, transport and communication nodes.
- Local market demand with high-density populations sitting in often under-served markets. New entrants and indigenous entrepreneurs take advantage of low retail penetration.
- Integration with regional clusters where local firms are part of larger competitive regional industries.
- Human resources remain an important advantage. Despite a low skill base, companies moving into "hard to help" places have found reliable, highly-motivated workforces.

Porter's analysis of local economies was reinterpreted by many observers, such as NEF, to suggest that an important component to a local economy is the development of locally-based enterprise as an alternative to the more obvious big brand names or "big box" type retail developments. In *Ghost Town Britain*, Simms (2002) argues that such retail developments not only exploit neighbourhood communities by offering low-wage jobs, but that they also cause the inevitable decline of high streets and traditional retail businesses.

In this analysis there is a division between good enterprise (locally grown, small, owned within community) and bad enterprise (nationally owned chains with profits disappearing out of deprived communities). Big businesses attracted into deprived areas might be employing local people in some of the jobs, but the NEF view and the "leaky bucket" thesis is that profits and services are siphoned out of the community when that capital should be more locally and constructively deployed. This is partly the *Ghost Town Britain* effect that describes the growth of large retailers – typically the so-called "big box" superstores like Tesco, Asda, Wal-Mart and Sainsbury's – and both the subsequent displacement of local businesses and the extraction of large operating profits.

But the leaky bucket is an unhelpful argument. It promotes and values one type of enterprise over another when most case studies (see below) suggest that not only can large businesses bring benefits to deprived areas they can also work closely with community and social economy organisations to develop social capital and community capacity.

There are obvious issues of scale; smaller social or private enterprises employ far fewer people than a large business like a supermarket. Often such companies also provide benefits, discounts and even stock options that smaller companies cannot provide. Equally, the presence of national companies brings competition to areas that are often captive markets to high prices and poorer quality products.

Consolidation and economies of scale is the reality of business, especially in the retail sector in today's economy, worldwide and it is impossible to turn away. Competitors of these goliaths have to find a niche which appeals to consumers. Inner city entrepreneurs may have an edge in this regard because their market requires local knowledge to succeed. But as importantly, the inner cities need the scale of jobs that the big retailers typically bring and local enterprises also need the footfall.

Economic development case studies

Overview

By looking in detail at the practical experiences of a series of deprived areas, a mixture of approaches to regeneration and to economic development are deployed can easily be identified. In the following case studies there is a reliance on approaches which incorporate government policy interventions, private enterprise and local organisations.

The case studies show how social economy organisations and the private sector contribute to create stronger economies and communities with more jobs, income and stronger societies too. But how will they manage the declining economic conditions that they will now be faced with due to the financial crisis

and the downturn in global economic conditions? Will they fare any differently to other communities if the broader economy around each of the locations and sectors is in economic difficulty?

The structure and distribution of activity may impart greater resilience on an economy. Compared to the past, today's workforce is spread across a wider range of sectors; while, sectors themselves are far more diversified. IT, retail, healthcare and huge swathes of services were unimaginable even fifty years ago. Along with improved monetary and fiscal policy and more flexible product and labour market regulation that has supported speedy adjustments to shocks, economies have been able to put their eggs in many baskets (HM Treasury, 2008).

Given the case studies used in this chapter it is important to ask about the particular resilience of the service sector and of retail and hospitality in particular. Generally, evidence suggests that the service sector can be more resilient than manufacturing and that according to analysis in the US, "generally do[es] not show a net decline in employment from the official start of a recession period to its completion" (Goodman, 2001). Of course there will be retailers and restaurateurs that do go out of business and lose their jobs, but there is strong contemporary evidence that some businesses from the sectors will profit from the economic conditions.

So some parts of the retail and hospitality sector still look relatively healthy, despite a number of high profile collapses such as Woolworths in the UK. Contrast that to the experiences of areas across the world currently dependent on large single employers and their supply chains, such as those in the car manufacturing industry.

Most of the geographical locations described in the case studies that follow – Leeds, Durham, Birmingham, Chicago, Barcelona and Stockholm – still have significantly more diverse industrial and organisational composition than in their previous histories. Their dependence on single sectors and employers such as manufacturing and other heavy industries has been reduced. Even where a particular sector is dominant such as IT in Barcelona and Stockholm, agriculture in Canada and Italy, or retail in Leeds, Birmingham and Chicago, each sector is now made up of many more businesses – large and small – as well as on partnerships with other sectors and areas of the economy. Clearly a more developed social economy – whether through third sector bodies, co-operatives or social enterprises – has played a part in each of these locations.

Private sector driven revitalisation

In the US, the culture of entrepreneurship is well established and there are fewer disagreements about the benefits of large and small businesses. Most large businesses are subject to heavier regulation (such as anti-trust and

anti-competition laws) than their counterparts or subsidiaries in the UK and in Europe. The US has a clear understanding of the benefits that a dynamic small business sector has on "main street" USA as well as in the deprived parts of its larger cities.

Measured by just about any standard available, the US is one of the most entrepreneurial countries in the world, and the most entrepreneurial among G7 and developed countries. This has been attributed to a number of factors, most importantly culture and social norms that support and encourage individuals to seek out new opportunities and take greater risks. Still, while entrepreneurship and small business growth are key to the USA's dynamic economy, like everywhere else in the world, this dynamism does not reach all people or all communities.

Despite these barriers however, broadly speaking entrepreneurship and private-sector investment are increasing in many low-income communities. They are part of a growing strategy to make the "business case" for investing in inner cities using market-oriented policies and practices to revitalise poorer neighbourhoods. Through public-private partnerships, and an increasing role for intermediaries to facilitate these interactions, inner city economic development strategies are aligning more with labour, consumer and financial markets to encourage business investment and improve the lives of inner city residents.

US inner cities: Attracting new businesses

US inner cities, with above average rates of unemployment and levels of poverty, like similar areas throughout the developed world, have not always been places of empty buildings, high poverty and unemployment, and cheque-cashing operations. Before the 1960s, many of today's inner city areas were once economically vibrant communities that served their largely African-American residents. But as Professor William Julius Wilson (1996) documented on the south side of Chicago, the loss of jobs (primarily in manufacturing) over the decades and the movement of middle-class black people into suburban communities emptied out many of these communities of the social capital and role models that existed. Government policies that reinforced segregation as well as racial discrimination added to the fraying of the social fabric and the subsequent rise in social problems.

Over the years, a multitude of strategies has been implemented to improve the lives and the communities of those living in America's inner cities (Katz, 2004). The results of these efforts are mixed, with some communities experiencing significant change and improvement while others continue to languish. Often, policies and programmes have addressed the social ills in the communities and in the process treated these areas as islands unto themselves.

Much of the thrust in today's neighbourhood revitalisation efforts is to create a "geography of opportunity", in which greater connections and networks exist between poorer communities and their metropolitan surroundings.

Historically, inner city economic development strategies have encompassed both "place-based" and "people-based" strategies for particular neighbourhoods. Place-based strategies try to improve the community in which people live through better residential and commercial housing stock, and provide carrots (or sticks) to the private sector to invest. These initiatives have made great strides in stabilising neighbourhoods, primarily through the creation of affordable housing. They have also led to the emergence of a sizeable and important number of community-based organisations.

Today, both of these strategies are still at work but there is more of a focus on linking these neighbourhoods to the larger economy and transforming them based on economic integration through mixed income housing, stronger community capacity, better links to regional markets, and investments by local and regional businesses. Michael Porter's research in the mid-1990s into the competitive advantages of the inner city as a business location shifted much of the rhetoric about inner city economic development from social ills to economic assets and from poverty reduction to wealth creation.

Role of the private sector

Whether it is retailers, small business, homebuilders or banks, there is greater awareness of the important role the private sector plays in inner city revitalisation. While programmes still focus on supporting inner city entrepreneurs through access to capital and technical assistance, many inner city economic development efforts are expanding to include bringing outside private sector players in as partners, either as investors, technical assistance providers or business owners. As a result, both government programmes and community-based organisations are adjusting their policies and practices in order to encourage and work with the private sector.

Focus on retailing

Retailing is a dominant industry in inner cities, whether through small local businesses or large national or international chains. Many Americans get their first job in the retail industry. This is particularly true in inner city communities where retail is often the primary business in the area. In terms of total employment, retailing is the largest industry in the United States, employing nearly 22 million workers, or roughly 18% of the total labour force. Importantly, because of its relatively low skill requirements, high demand for workers, and flexible job scheduling, retail is a favoured industry for workers who are new or returning to the labour market. Approximately 38% of all

former welfare recipients have entered service-industry occupations since 1996, with 24% in retail and wholesale trade (Prince, 2003). (Retail and the "fast food" sector are the most dominant businesses in inner city areas in both the UK and the US – and both sectors that will be explored in more detail in the case studies that follow in this chapter). "More than 1 in every 15 Americans has worked in the fast food industry – hence the public image of the McJob accords fairly well with reality, for the fast food industry is a critical gateway into the labour market for thousands of people who live in inner city neighbourhoods" (Newman, 2000).

Many observers consider these sectors and businesses to be characterised by low pay and "flexible" working which can contribute to the exacerbation of poverty and poor housing in low income neighbourhoods, thus working against the processes which try to ensure their regeneration. Whilst this may be the case in some businesses within the sector, it does not capture the full contribution of others.

A number of trends led retailers to be some of the first to set up operations in inner city communities. First, after 40 years of expansion into suburban markets, these communities were saturated and retailers were looking for new markets, including overseas. Secondly, research on the purchasing power and unmet demand for retail in lower-income communities, particularly for groceries and supermarkets, led retailers to take a second look. In the late 1990s, research on inner city and metropolitan retail demand per square mile suggested demand in the inner city was two to six times greater than what retailers found in suburban locations based on the high density of urban markets (ICIC/ Boston Consulting Group, 1998).

Today, retailers from across the spectrum are entering and operating in inner city markets. From "big box" chains like Wal-Mart, Home Depot and Target, to smaller chains such as Walgreens drug stores and Pathmark supermarkets, to regional banks and insurers, companies serving consumer markets are experimenting with new concepts to serve the inner city marketplace. Often, "social" or community intermediaries, such as community development corporations and local government, play an important role in helping develop suitable urban sites, as well as facilitating conversations between "the community" and the retailer.

Increasing use of business franchising

Franchising is a major aspect of entrepreneurship in the US, with over 760 000 businesses, generating approximately USD 850 billion in revenues and payroll and employing close to 10 million people (PricewaterhouseCoopers, 2004) and is growing rapidly in Europe. As the service sector expands and as brands become more recognised and more valuable, more products and

services are created that can be co-modified and sold as franchises across the country. Most people think of franchises as fast food outlets such as McDonald's and Dunkin' Donuts, but in reality they encompass a much wider range of products and services in the US and in Europe including the automotive sectors (Merlin Muffler and Brakes in the US, Mr. Clutch in the UK), business services (PostNet and Kall-kwik in the US and the UK), and retail products and services. Franchising also extends to public services in Europe with post offices, lottery agents and public communications companies.

A number of franchisors looked at inner city communities early on as opportunities to expand their brand and grow, particularly in minority communities. McDonald's was one of the first in the 1950s and 1960s, and others followed such as Denny's, Choice Hotels, JaniKing, ServiceMaster and PostNet.

> Most, if not all of you, will have dealt with a franchised business recently, whether eating a McDonald's hamburger, drinking a can of Coca-Cola or calling out Dyno-Rod to unblock your drains. However, you may not realise that you are, in fact, dealing with a locally run business operating in line with specifications laid down by the brand owner. After all, there are no obvious signs to distinguish a franchised outlet from one which is company-owned; all do business in the same way and market themselves under a common (and often well-known) brand name. However, there are legally distinct businesses. This presents a paradox. On the one hand, a franchised business looks and acts like a branch of a much larger corporation; while on the other hand, it retains a distinct legal persona (Felstead, 2004).

Many high street brands are also locally owned businesses, and in many cases they are also owner-operated by residents of the same communities. Like other local businesses, they will source labour, services and other functions, such as building maintenance, banking, insurance and cleaning, on a local basis, all of which contributes to increasing local economic activity.

Franchising offers the benefits of entrepreneurship through a structured, top-down process. By buying a business with a national brand and a proven business model, the entrepreneur minimises their risk and increases their chances to obtain finance. According to the *New York Times*, only 50% of new companies survive at least four years. Given that the pressures on sustainability are greater in the inner city, the franchise model appears to provide a strong counterweight against early closure (Community Wealth Ventures and IFA Educational Foundation, 2004). While the entrepreneur owns and operates the business, how it is run and what it looks like is strictly dictated by the franchisor.

Perhaps most interesting in the context of this chapter, is the fact that because of the benefits that franchising can offer entrepreneurs without extensive business experience or resources, many non-profit organisations in

the US as well as local and state governments have created programmes to encourage and support franchising as an inner city economic development strategy. Charitable foundations, community development corporations and other non-profit economic development entities are experimenting with programmes that focus on key success factors such as identifying qualified candidates, providing management training and subsidising the entrepreneur's financial investment.

The Franchise Partnership in Chicago is one example of a social economy intermediary organisation that not only recruits strong minority candidates as franchisees, but has created, with the help of local banks and foundations, a consolidated loan fund which helps entrepreneurs to raise funds. Established in 1999 as a collaboration between two franchise programmes that were struggling, the franchise partnership builds on previous experience in inner city minority franchising efforts and has helped launch 12 franchisees to date. Designed by non-profit organisations and grant-giving foundations, its aim is to increase specifically the number of owner-occupied businesses within deprived communities in the city. The scheme has come about because these organisations, mindful that good business support, mentoring and business planning is essential to small business success, have identified the franchising process as one that helps to minimise these kinds of risks, particularly in places where the odds for success are too heavily stacked against such entrepreneurs.

Some non-profits are also experimenting with owning and operating franchises as a means of generating revenue streams that can support their non-profit missions. This form of social enterprise again minimises risks to non-profits but requires business management skills that are not always found in the third sector.

> There is no such thing as a bad community – you just have to concentrate on bringing the good out (Herman Petty, McDonalds' Franchisee, Chicago).

> Many existing social housing estates have a strong sense of community – often more so than many wealthier neighbourhoods – but there is not the economic capacity to make these neighbourhoods work over the long term. As a result jobs and investment go elsewhere. We must work to reconnect isolated deprived areas to other parts of the city. (Richard Rogers, Architect, 1999)

Blighted areas in the UK

Tesco's move into the Seacroft Estate in East Leeds

The Seacroft Estate, in East Leeds houses one of the largest social housing projects in Europe. Built to service the manufacturing and industrial employers located in the area (predominantly defence related manufacturing – the former Vickers and Royal Ordnance factory sites were the dominant employers for

most of 20th century) and, despite sell-offs and stock transfer, 53% of the population still live in council-owned accommodation.

The resident population of Seacroft in mid-1998 was 18 200 people but there were only 3 900 jobs in the area. In August 1998 there were 2 290 Income Support claimants in Seacroft: 17% of its adult population, compared to 9% for Leeds as a whole, and an average of 8% for the UK overall. Out of 8 414 English wards, Seacroft was ranked the 388th most deprived (DETR, 2000). Seacroft is four or five miles away from the bustling regenerated financial services heart of Leeds, yet there is very little travel to work in the city centre from Seacroft residents. But as in Porter's definition of inner city competitiveness, the Seacroft estate lies close to major road routes leaving and entering the Leeds city centre. It therefore represented a prime location for a "big box" retailer where large proportions of their customer base would rely on private car transport.

Tesco is the UK's largest retailer and a major contributor to the UK economy. They employ over 200 000 people and create around 10 000 new jobs in the UK every year. Ninety per cent of developments are on brownfield sites. When Tesco announced that they were to open a flagship "Extra" store in Seacroft with the creation of approximately 350 jobs, they knew that the majority of the store's staff was likely to come from within a mile of the store. They realised that in a tightening labour market (Leeds is a rapidly growing retail centre with new developments and major store openings throughout the city), they were unlikely to attract and retain workers from other parts of the city. The local authority's planning processes also required a focus on local employment and enterprise in order to get permission to build the store in the favoured location.

The resulting partnership with a range of statutory and community groups involved the creation of a year-long training programme for unemployed local residents with guaranteed interviews and jobs at the end. The Seacroft Partnership in Leeds has been a highly successful venture. It has involved a wide range of major partners; Leeds City Council, the East Leeds Family Learning Centre, the Employment Service, USDAW (the UK's major retail trade union) and a group of local employers led by Tesco. The development also included retail space for other businesses and not just the Tesco store. When the store opened in November 2000, over 240 previously unemployed local people, many of whom had been out of work for more than two years, took nearly two thirds of the jobs available.

The East Leeds Family Learning Centre was a crucial partner and the main social economy partner in the process. The Employment Service knew who was on benefits and who in the local area was looking for work and Tesco knew the numbers and types of people that they wanted to employ. But it was the East Leeds Family Learning Centre that transformed the detached, often

long-term benefit recipients into employees that could carry out the tasks in a Tesco job description. They did it with long-term education and training programmes of around a year's length, improving basic skills in reading and writing as well as technical skills in retail. But they also worked with the whole family or household – advised on childcare, wage *versus* benefit calculations and so on. In effect, the social economy organisation "glued" the process together.

Several of Tesco's most recent stores are also located in other deprived communities in the UK. It is not just the locations that make these stores different: each one depends on employing staff who have been out of work for several years: lone parents, older men made redundant years before, young people who have no qualifications and who have never worked in their lives.

Dragonville is a former mining and industrial area situated on the edge of Durham near the A1 motorway. Like Seacroft, it is an area with a high proportion of social housing. The resident population of the Dragonville area in mid-1998 was 2 200 people. But there were only 600 jobs in the area. Sixteen per cent of the adult population was on Income Support, compared to 7% in Durham as a whole. The area was ranked 332nd most deprived in the country (DETR, 2000).

The Tesco Extra opened in November 2001 with 340 new jobs – 296 of which went to locally unemployed residents. One hundred and twenty of the unemployed recruits were previously classed as "economically inactive" and excluded as registered job seekers. These are people who were categorised as not looking for work, people who had been claiming Incapacity Benefit and disability allowances, often described as the "very hardest to help".

In both Seacroft and Dragonville these jobs have proved to be sustainable. Not only do large proportions (an average of 85% in both stores) of people succeed in taking up jobs after the pre-employment training, they are still in the jobs over six months later. In Seacroft over 90% of recruits remained in store and in Dragonville over 81%.

As discussed earlier in this chapter, this type of retail led regeneration model with a dominant company like Tesco at its heart, is not universally popular. But research from the University of Essex has shown that supermarkets like Tesco are creating net new jobs all over the country and especially in the more run-down towns and cities: "Britain's beleaguered out-of-town supermarkets, accused of ripping off consumers, destroying neighbourhood shops and despoiling the environment, have been given a vote of confidence by a new study showing that they are net creators of thousands of new jobs" (Atkinson, 1999).

A Joseph Rowntree Foundation study into successful retail activities in deprived parts of the UK, which used the Seacroft example, concluded that

there was no simple formula for retail-led regeneration but that there were some broad ingredients for success:

- "Attention to the retail market-place: clear attention to what is possible within the framework of the local or sub-regional retail market-place and available catchment, overlaid with strong aspirations to business success and profitability.
- Leadership: clear leadership in the regeneration initiative.
- Involving residents: respect for local residents' needs and aspirations.
- Local vision: a strong, positive vision for local quality of life, with the retail strategy embedded in the local regeneration or neighbourhood strategy.
- Organisational innovation: control frequently delegated from the local authority to a regeneration company with strong private sector participation or to an experienced community development organisation.
- Use of investment: use of public and social investment to reinforce potential achievement in the market-place, but not to subsidise marginal schemes.
- Environment and community facilities: promotion of the locality as a high quality destination through environmental enhancements and community facilities" (Carley, Kirk and McIntosh, 2001).

Four of the eight identified factors for success depended on a contribution from or to, the area's social infrastructure – through neighbourhood bodies, residents' needs, community development organisations, social investment and community facilities.

Tesco's Aston regeneration store opened in Birmingham in 2008. As in Seacroft and in earlier Regeneration stores, the development was based on a partnership with Birmingham City Council, Jobcentre Plus, the Learning and Skills Council, Aston Pride and other local community groups including the Aston Re-investment Trust. One hundred and forty-four previously workless local people took part in a pre-employment training linked to a job guarantee, and 99 people were given unconditional job offers. Tesco was able to recruit 65% of the stores staff through the regeneration partnership; giving jobs, training and longer term career opportunities to the long-term unemployed.

The Aston neighbourhood in Birmingham

Like Seacroft in Leeds, Aston had experienced major economic and social problems in the last three to four decades. Birmingham itself had experienced long structural decline, population loss and high unemployment in the latter half of the 20th century. In its industrial heyday, Birmingham succeeded Manchester as the heart of Britain's manufacturing industry. Indeed, as Asa Briggs (1963) noted: "In 18th and early 19th century Birmingham there was immense pride in the bare social and economic fact that there was scarcely a

town in America or Europe that is not indebted for some portion of its luxury or its comfort to the enterprise and ingenuity of the men of Birmingham."

Parts of Birmingham experience significant social and economic deprivation, notably the neighbourhoods to the north-west of the city centre including Handsworth, Newtown, Aston and Perry Barr, where unemployment is close to 30%. Aston is also where Tony Sealey – a McDonald's franchisee since 1995 – lives and works. He took over the Perry Barr restaurant in 1995 and then the Newtown restaurant in 2001. Both of these areas are considered "deprived" and are populated by very diverse, low-income communities. In an interview with the author in 2004, Sealey noted:

> My restaurants are located to the north-west of Birmingham, home to a multi-ethnic community, where unemployment is at least seven times the national average and five times the average for Birmingham. In ten years the majority population in the northwest of Birmingham will be non-white. The area is often viewed by outsiders as being high in unemployment and crime linked to drugs and guns, with some wards being seen as no-go areas, particularly at night.

Tony employs around 80 staff in his two restaurants, mostly young people. Of the 16 managers, all except two have been developed internally from part-time crew members. His approach as a local entrepreneur embodies many of the same ambitions and methods as those in the social economy. In economic terms, his is still a local business despite the worldwide recognition of the McDonalds' brand. According to Katherine Newman in *No Shame in My Game* (2000), we should not be surprised that such businesses are important parts of the social fabric and contributors to an area's social capital and community capacity. In her research she shows how Harlem's fast food business owners are extremely civic minded. They support workers through their education. They possess what she describes as a "missionary impulse". They coach and mentor young people as well as providing a positive role model. This is on top of the material benefits – the jobs, income and other economic effects that they bring.

As economic growth has taken root in the Aston area, so too have developments in its social economy sector. A recent baseline survey of social enterprise in the Birmingham and Solihull area reveals that there are about 320 social enterprises trading in the sub-region, employing over 12 000 local residents. Just over half have turnovers of between GBP 100 000 and GBP 1 million per year and the largest generates GBP 5 million per year. About one-third are branches or arms of larger organisations. Almost half earn 50% or more of income from public and private sector contracts. Grants and donations remain a significant part of income for just over one-quarter of these enterprises. Social enterprise in Birmingham and Solihull is a growth

sector: staff numbers have increased in the past year amongst 11% of enterprises. Turnover in the past year has increased in 17% of enterprises – part of an upward spiral in economic activity and social conditions in the area (Local Economy Solutions, 2007).

The main beneficiaries of the services provided by social enterprises are the local community (47%), adults (41%), young people (26%), parents and children (21%) and the disabled (21%). There is a clear emphasis on assisting those who are most disadvantaged or at risk of social exclusion. Volunteer effort is important to social enterprises, with almost 75% involving volunteers as part of their activities. Almost 10 500 volunteers actively support organisations, although it should be noted that just over half of these (5 500) volunteer with a single organisation. Even allowing for this, it is evident that at a conservative estimate some 5 000 people volunteer in order to assist social enterprises in their work.

The Aston Reinvestment Trust (ART) pioneered a new form of social and economic finance when, ten years ago, it launched itself as the first Community Development Finance Institution (CDFI) in the UK, inviting social investors to support enterprise in their local area. ART was initially chaired by Sir Adrian Cadbury (now president), the former chairman of the Cadbury Schweppes – one of Birmingham's largest, and most famous, private businesses.

Currently, around one-third of ART's loans are to enterprises from minority ethnic communities. ART lends to small businesses and social enterprises in Birmingham that have been unable to secure finance from elsewhere. Established in 1997 with an objective to raise funds, lend them successfully and obtain repayment to enable recycling of the funds, ART helps potentially viable businesses that otherwise could not grow and it preserves and generates jobs for local people, particularly those in under-represented groups and in disadvantaged areas. These actions help ART to achieve its mission – the relief of poverty through enterprise – uniting social purpose and economic gain. Since it started, ART has lent GBP 4.7 million to 250 borrowers enabling it to preserve and create over 2 000 jobs.

ART's portfolio of borrowers includes limited companies, partnerships, sole traders and registered charities and it has supported both innovative start-ups and established enterprises in a range of sectors including manufacturing, retail, care and education. Borrowers include:

- KPM Turnkey – a high quality engineering and design company based in Aston.
- Salon Express Ltd – a Birmingham salon supplying specialist hair products to the black community.
- Jericho Foundation – a social enterprise that offers training and employment opportunities including to the Tesco Regeneration store programme.

ART works in partnership with the business support network, professionals and banks in the Birmingham area, often packaging finance from itself with other sources. Its loan fund, which offers loans of between GBP 2 000 and GBP 50 000, is derived from investments made by companies and individuals in addition to public and private sector support. ART is a model which is now being replicated in many other regions.

The interplay and similarities between Tony Sealey's McDonalds franchise, Aston's Tesco Extra store and the Aston Reinvestment Trust are striking. All three demonstrate that outcomes in economic and community development can be achieved by bringing together sectors and different approaches. Most significant is that the private sector is as keen to develop social outcomes and to use partnerships with third sector bodies as voluntary and local government are to use enterprise as a major component of regenerating the deprived inner city area.

The experiences of the local communities and residents working in partnership with Tesco in Seacroft and in Dragonville were also positive. In all three locations it is revealing that the private sector employers – Tesco and McDonalds – are often described as amongst the most reviled in the world. Neither are typically seen as friends nor supporters of local communities, nor the social economy, but the evidence in each of these areas suggest that they have only established themselves in the areas with the direct support of social economy organisations.

Government created technology hubs

22@Barcelona

In the 1980s and 1990s the local authorities in Barcelona adopted a series of ambitious projects and initiatives to regenerate deprived areas within the city. The bid and eventual staging of the 1992 Olympic Games was the centrepiece but alongside there were major projects in other parts of the city – most notably on the waterfront and in neighbouring industrial districts.

For more than a century, Poblenou and the surrounding San Martin area had been the main economic and industrial centre of Barcelona and the Catalan regional economy. But from the 1960s, de-industrialisation and decline set in and the area began to lose industries, businesses and residents. Between 1963 and 1990, the area lost more than 1 300 factories.

In 2001, Barcelona City Council approved a new urban planning policy aimed at transforming the old industrial area of Poblenou, with redundant factories long abandoned or in unproductive declining industries, into a location for new activities and for skilled, young people. The city authorities knew that the area and its residential neighbourhoods needed regenerating but also realised that the city required new forms of economic activity too. Retail was already dominant elsewhere in Barcelona and the authorities were

keen to attract and grow smaller technological companies so that they could begin to grow a high innovation and productive sector to help drive the city and regional economy in new ways.

The city council rebranded the area as 22@Barcelona, and changed the planning rules for the area enabling new and different types of developments. 22@Barcelona covers the whole south-eastern part of the city, from Gran Via to the beltway and from the Olympic Village to Rambla de Prim, allowing more construction, more public spaces and green areas and subsidised housing as long as previous industrial space is replaced by offices or other business services and equipment related to new technology and knowledge.

22@Barcelona differs from the approaches described above in the UK and the US as it was a government-driven approach to create new forms of economic activity and enterprise rather than to import businesses or business models from elsewhere. It was symptomatic of an approach common across the developed and developing world over many years – that of a "centrally" or "government" planned approach to specific economic development in a place or sector. More recent approaches similar to Barcelona's prioritisation of IT and communications industries have included the establishment of the Kista Science City in Stockholm.

As in Stockholm, Barcelona's objective was to create an area rich in both social capital and economic potential – attractive to the kinds of individual entrepreneurs that could establish high value IT and technology businesses in the city. 22@Barcelona is described as a "new compact city", where the most innovative companies co-exist with research, training and technology transfer centres, as well as housing (4 000 new subsidised residences), social and community facilities (145 000 m^2 of land) and green areas (114 000 m^2). As in Stockholm, the linking of formal education and research facilities is seen as a key to success, with new institutions and research facilities created as conscious "anchors" to promote economic growth.

Barcelona's marketing of 22@Barcelona not only includes incentives for people and businesses to relocate or to grow in the area but also opportunities for people to help neighbourhood associations, meet new people and volunteer in social and cultural activities like: helping people with reduced mobility; helping in digital literacy classes for the elderly, disabled or other groups; providing management consulting for social and cultural projects; practicing Catalan or Spanish with people who are new to the area or practising English with children from the local neighbourhood's schools. Since its start up, the 22@Barcelona project has seen the establishment of more than 1 100 new firms and institutions, of which more than half work in one of the four priority areas: the Media, ICT, MedTech and Energy. In total, there are currently more

than 32 000 new workers in the area. According to the city authorities, the elements that contribute to the success of 22@Barcelona are:

- the presence of companies at the forefront of the sector;
- the existence of space for SMEs working in the field;
- the establishment and operation of universities, continuing training and vocational training and technology centres;
- the establishment of specific business incubators or "nurseries";
- the construction of housing for employees in growth companies and industries; and,
- the provision of key support services such as grants, access to venture capital, networking, etc.

Kista Science City, Stockholm

The Kista Science City is based in an area on the edge of Stockholm, near the international airport, which previously housed both industry and major military facilities. In the 1970s and 80s major ICT and electronics employers began to relocate to Kista, such as Ericsson and IBM. The Swedish Government hoped to catalyse new emerging industries around these anchor institutions by investing heavily in new education and research facilities. SISU, the Institute for Systems and SICS, Swedish Institute of Computer Science, alongside an Engineering School and a part of the Electronics Department of the Royal Institute of Technology were sited in Kista. Eventually these were incorporated into a new university – the Swedish IT Institute in 1998 (*www.kista.com*).

By the early 1990s, Kista was being described as Sweden's Silicon Valley. Leading international IT and telecom companies, such as Nokia, Microsoft, Apple and DCM, had also established themselves there alongside smaller companies and start-ups. By the early years of this century, the desire to create a living city rather than just a business and education facility had developed, with plans for houses, schools, community centres and services incorporated into the area.

> Kista Science City extends across four municipal districts around Järvafältet, all of which have agreed on a joint vision for the future. Not only does this involve working together to encourage business growth and higher education, but also to improve housing, traffic networks, local traffic services and other infrastructures. The business community, the universities and the local authorities have worked together to produce and promote a strong vision for the future, with the focus on the development of Kista into a Science City. (Johansson, 2004)

In Kista Science City there are some 1 400 companies with over 30 000 employees, two thirds of whom are employed in the over 500 ICT companies based in Kista. There are also over 1 000 scientists and 5 000 students

teaching, researching or training in ICT related areas. However, Kista is more than a place of work and study; like Poblenou, Kista is also a living community, with some 120 000 people residing in the city, and plans to increase that figure. Projects are being implemented to improve and enhance the cultural infrastructure of Kista.

In essence, then, both the Kista Science City and the 22@Barcelona initiative are attempts to simultaneously create communities rich in economic potential but also with high levels of community capacity and social capital. Both Stockholm and Barcelona wanted to build communities that could attract and grow highly skilled technology companies, but as much through the quality of life as through economic factors. In Stockholm, the creation of social capital is an objective of the Kista collaboration. The limited land area away from the centre of Stockholm means that employees and residents are interacting during both working hours and in leisure time. Kista is also home to one of the largest shopping centres in northern Europe, with a theatre, bowling lanes, cinemas, gyms and public spaces. The Kista Science City network has also been established to bring employees and firms together in both formal and informal meetings.

Producer co-operatives in rural areas

The co-operative movement that emerged in the UK in the early 19th century (and described above) has taken root in many places throughout the world. The efforts of the Rochdale pioneers can be linked to the Co-operative Group, which now has over 1.5 million members in the UK, 87 000 employees and an annual turnover of GBP 9.4 billion, and other co-operative movements throughout the world today.

Population movements out of the UK and other European countries in the 18th and 19th centuries helped to export the co-operative philosophy to new locations. In Canada, in the late 1800s a series of co-operatives were formed across the prairie states of Manitoba, Saskatchewan and Alberta. Increased settlement of the Prairies after 1880 brought settlers with an awareness of co-operatives from the US, eastern Canada, and Europe. As early as 1887, the Manitoba government had passed enabling legislation to support the formation of co-operatives.

Western Canada: The history of Viterra and related co-operatives

The seeds of co-operation have spread. Today, there are more than 410 co-operatives and credit unions in Manitoba alone comprising more than 800 000 members and almost CAD 10 billion in assets. As across Canada, agriculture, food and retail co-operatives are the most prominent.

In 1923, Alberta's farmers set up a "wheat pool" as a non-share, non-profit organisation responsible solely for selling wheat for the best advantage. It was set up as a one-person, one-vote organisation, with a five-year contract required to deliver 100% of his commercial wheat to the pool. The pool purchased the grain produced by its members at a provisional or initial price. The pool then sold the grain, and if there was a surplus in the account at the end of the year, it was distributed to its members at a pro-rated basis. Everyone who was a member of the pool received the same price. Initially 26 000 farmers joined the pool.

After the first year, the Pool began to deduct two cents per bushel to invest in the building of pool-owned grain elevators. At the same time, farmers in Saskatchewan and Manitoba created wheat and elevator pools of their own. The pools grew in numbers and political power. In 1928 the combined Alberta, Saskatchewan and Manitoba "Wheat Pools" were among the biggest businesses in Canada with a combined turnover of over CAD 300 million.

In 1998 the Alberta Wheat Pool and Manitoba Pool Elevators merged to form Agricore Co-operative Limited. In 2007, Agricore United was taken over by the Saskatchewan Wheat Pool, by now a publicly traded company. The merged corporation was renamed Viterra. Although now a publicly traded company, much of its supply chain is still made up of local co-operatives in the three Prairie provinces and their social activities and investment in community facilities – from grain elevators to schools and summer camps – remains.

In 2005 there were some 5 700 non-financial co-operatives in Canada, with 5.6 million members, CAD 27.5 billion in revenues and CAD 17.5 billion in assets. These included producer co-operatives, generally in the fishing, agriculture and retail sectors. Two major examples that still trade with Viterra are:

- **Federated Co-operatives Limited** (FCL) provides processing, manufacturing, and administrative services to 300 retail co-operatives and associate members across western Canada (Manitoba, Saskatchewan, Alberta and British Columbia) and north-western Ontario. With revenues of CAD 4.8 billion in 2005, FCL is number one on the federal government's list of *Top 50 Non-Financial Co-operatives in Canada*. FCL's head office is in Saskatoon but it has a distribution centre in Winnipeg, a feed plant in Brandon, and propane distribution centres in Brandon, Carman, and Winnipeg. Goods and services sold at the local co-operatives range from food, petrol and gas, and general merchandise to crop supplies, feed, and forest products. Some 52 co-operatives in Manitoba are members of FCL and employ an estimated 2 600 employees.
- **Granny's Poultry Co-operative** is the largest chicken and turkey processor in Canada and one of its most distinctive and widely recognised brands. In 2005, Granny's Poultry was ranked by *Manitoba Business Magazine* as one

of the Top 50 Fastest Growing Companies for the 8th time in the past 14 years. Granny's has been ranked among the Top 100 Manitoba Companies for 22 of 23 years.

In western Canada, the co-operative movement is much stronger than in the east. In Calgary, the Co-op store is big enough to anchor several shopping centres in Calgary and Alberta, but in Ontario they are much less common. It has been argued that retail and agriculture co-operatives in Canada grew up out of hard economic times, experienced more severely in "frontier" regions (Drolet, 2008). With better weather conditions, soil and easier access to urban markets and to exports, eastern farming communities and urban areas were in less need of pulling together. Adverse natural conditions in Canada were a greater catalyst for co-operative working and arguably for generating positive social capital as well as for short and long-term economic conditions.

Italy: The Conserve Italia and Melinda co-operatives

Indeed, the emergence of the co-operative movement in Italy also stemmed from difficult economic conditions. The first co-operative, a "thrift" store, opened in Italy in 1854, and manufacturing and agricultural co-operatives quickly followed. In contemporary Italy, the co-operative movement continues to play an important economic role.

A major brand and organisation today, Conserve Italia was founded in 1976 by fourteen different co-operatives, for fruit, vegetable and tomato produce, for the sales and distribution of co-operative products under the brands "Valfrutta" and "Cirio". Today, Conserve Italia is one of Europe's largest agri-food industries, bringing together over 50 co-operative associations. With a turnover of EUR 1 billion in 2006/7, Conserve Italia employs nearly 7 000 people, excluding individual farmers and their workforces.

Based throughout Italy but with processing plants in Emilia Romagna, Puglia and Tuscany, Conserve Italia processes fruit and vegetables into cans and jars for domestic and export markets. Its principle business is in tomatoes – harvesting, canning and processing into tins, sauces and other cooking ingredients. It markets its produce throughout Europe under its own brands and on behalf of major retailers in their own brands – including for Tesco in the UK.

Another successful example of the agricultural co-operative impact on local economy can be identified with the Melinda experience. Melinda is a consortium of 16 co-operatives specialising in the growth and production of apple based goods in the Trentino region. Founded in 1989 with the aim of centralising the market, and promoting and enhancing the quality of the product (Parri and Sandri, 2002), Melinda has 5 064 associated producers and an income of EUR 180 million. Such are the production levels that Melinda

farmers, in 2005, accounted for 10% of national apple production, 60% of regional production and 5% of the EU15 production (Largo Consumo, 2005).

A great deal of the success of Melinda is due to the strategies which have been adopted at the community level. Innovation and knowledge have been promoted as fundamental values to be added to technical progress at a micro-level. Dialogue, continuous information and joint decision making also contributed. Whilst these factors have clearly contributed to making Melinda a success story, there are other reasons for that success which must be looked for in the local community.

When considering the successful experience of agricultural co-operatives, such as Melinda, in Trentino, it should not be forgotten that such success is fundamentally linked to networking between the diverse sectors in which co-operatives have developed. Indeed, such is the depth of penetration of the co-operative movement throughout Trentino in the agricultural, manufacturing and service sectors, that Trentino's co-operation can be defined as both a socio-cultural movement and a constant dialogue with the community (Dorigatti, 2006).

Two out of three families in Trentino are members of a co-operative, and are frequently members of more than one. This can be easily explained considering that, from the beginning of the 20th century, the villages of Trentino have been served by the co-operative supermarket, Famiglia Cooperativa and a Cassa Rurale, a co-operative bank. The former has a 35% share of the market, has more than 72 000 members, 370 shops and employs 2 600 workers. Given the territorial distribution of Trentino's villages, the Famiglia Cooperativa is often the only shop in villages where private operators are absent (Dorigatti, 2006). The Cassa Rurale plays a fundamental role in the improvement of both Trentino's territorial development and the co-operative movement. In 2006 the Cassa Rurale had more than 100 000 members, almost one family out of two. On average, 96% of the population maintains their bank account at the Cassa Rurale. A distinctive feature of the Cassa Rurale is the relationship between savings and use: funds remain on the territory and are used to sustain small and medium-sized enterprises, and local communities and their activities.

What works and is there a recipe for communities and policy makers?

So how do we bring together policies that promote social economy, community capacity and economic performance? And amidst the global financial and economic crisis, how can such policies best improve the resilience of individual communities and places so that economic and social improvement can be better embedded and sustainable in the future?

The expansion of the welfare state during the 20th century has played a fundamental role in mitigating the risks that economic shocks pose to community resilience and capacity. But the long-term effects of welfare state dependency can be as damaging as the shocks themselves. Governments throughout the world, notably led by the US and the UK – but more recently in France and Germany – have argued that the best forms of "insurance" for communities are policies that promote human capital and personal responsibility. Reich and Putnam argue that it should be possible to translate individual social insurance to a community setting so that a collective insurance fund could be used in times of hardship, due say to the closure of a large local employer. A collective fund could be used to rebuild community capacity or infrastructure, provide retraining opportunities or small business assistance (Reich, 2002).

The more assets people have at their disposal, the more confidence they can place in the future, making them more likely to take advantage of opportunities and rebound from difficult events. This is also true for communities and local areas too. Reich (2002) suggests that the best assets and policies are those aimed at increasing human capital though he acknowledges that this can take long periods of time to work and can only mitigate some of the social "sorting" and segregation that has contributed to deprivation in particular communities. It follows then that over time, institutions such as schools, colleges and universities will be as important to a community as qualifications and skills are to individuals.

As already discussed, it is increasingly recognised that individuals' attitudes, values and aspirations are highly affected by the communities and institutions around them – parents, and families, neighbours, schools and other community organisations, and workplaces too (DCSF/IoE, 2007). We know that governments cannot simply create or reform civil society as and when it pleases, but we do know that it can and it should consciously aim to develop institutions, practices and the general capacity of a community to function economically and socially.

In this chapter a range of issues that define and bring together the notions of economic development and community capacity building have been discussed. Both are concepts with differing interpretations and definitions. The combination of the two as a recipe for developing the social and economic infrastructure of a deprived area can be contentious. Some observers are uncomfortable with a combination of the social and the free market economies and the social economy and the private sector. Others are sceptical about the contribution of private sector companies to local communities and especially of global chains in retail and hospitality, such as Tesco and McDonalds.

But the evidence shows that sectors and theories of social and economic improvement tend to have more similarities than differences. The way that people behave whether they are running a private sector business, a public service or a social economy organisation is often indistinguishable from their behaviour in another. As the Young Foundation argues, the boundaries of both sectors and individual behaviours are blurred by the social norms that are in place in any given locality. Putnam is clear that all types of organisations can and do generate social capital and community capacity.

The social economy is a key element as it spreads across – and is formed by – all of the traditionally defined sectors of a local economy. But this suggests that policies to reinforce or to build the social economy on its own may be misplaced. Whilst they may be nominally successful, they may be more so if consciously connected to private sector enterprise. So if individuals are involved in time banks, local exchange trading schemes or volunteering, they will "gain" if the programmes and their "currencies" are more clearly integrated into paid work and the real economy. Likewise organisations such as credit unions and co-operatives will provide better benefits and services to their members if they are more effectively linked in to the capital and business opportunities of the private sector. Taking even larger-scale examples such as the policies developed to grow new clusters in Barcelona and Stockholm, it is also clear that their approaches will stand a better chance of success if policies to develop communities and social capital are also deliberately adopted.

Some key lessons for policy makers

Firstly, policy makers should specifically construct services and strategies that are aimed at stimulating social capital and community capacity in deprived areas, cities or regions. It is extremely important that in doing so, policy makers should pursue as broad an approach as possible with concurrent strategies aimed at stimulating capacity and activity at the personal and household level, in public and private sectors and through the third sector. A comprehensive strategy might include, for example, a plan for improving the delivery of – and access to – public services, plans to incentivise individual engagement through volunteering, access to finance and grants for private sector and social enterprise organisations and investment in physical infrastructure.

Secondly, policy makers should resist the conflation of the social economy and capacity building with just one or two sectors in a community. Capacity building and the stimulation of higher levels of social capital and networks will be best achieved through an understanding of the broader base of activities and organisations that create and contribute to the most positive forms of social capital and community capacity. Specifically, in relation to economic

development it is important to understand the overlaps and inter-relationships between the private sector and the social economy.

Thirdly, policy makers should maximise the inter-relationships between the social economy (and community capacity) and other sectors as well as following policies that boost either private sector entrepreneurship or the third sector in isolation. A "silo" approach in policymaking and service delivery must be complemented with horizontal interventions and strategies that bring such vertical approaches together. In the specific example of economic development, policies that aim to build the inter-connections and partnerships between the private sector and the social economy should be vigorously pursued. Complementarity should apply to policies operating at the local level but also to the relationships between local policy and organisations and to nationally delivered policies and services in a local area.

Fourthly, policy makers should ensure that support, for example information, mentoring and finance, is focused on a broad range of people, services and agencies. Support for organisations that lock in economic and social benefits to a particular community is very important. This might include local co-operatives, credit unions, time banks and other third sector or social economy organisations but should also be focused on private sector entrepreneurs and small businesses in the private sector. As discussed in this chapter, this could come in the form of locally franchised outlets with global brand names or through public services that help to secure local jobs in inward investing firms.

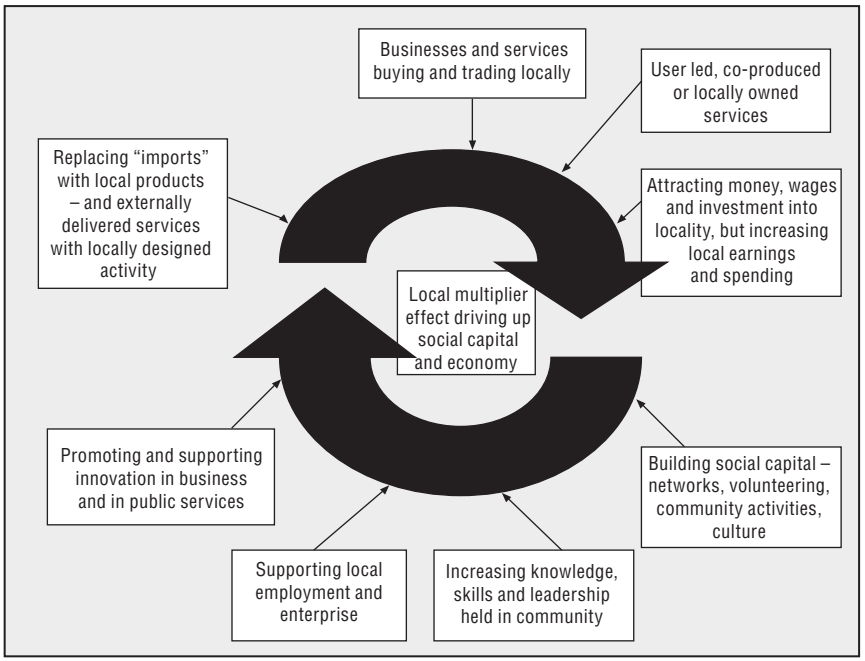
Fifthly, policy makers should create capacity for wellbeing and spaces for social interaction and leisure too. Often these will be connected to areas of economic activity such as cinemas, restaurants and sporting facilities, but other types of community space and social networks without obvious economic benefits should be part of a comprehensive approach to capacity building. Spaces for people and groups to meet, for communities to come together are important aspects of all places and are conscious elements within the creation of "new" locations such as in Barcelona and Stockholm.

Sixthly, policy makers need to understand that most decisions and support should be exercised within communities as much as is practically possible. Social capital or community capacity cannot be created or sustained from the outside. Ultimately, it is the community and its residents that have the strongest understanding, ability and motivation to shape it for the better. This is an important point in the overall discussions throughout the chapters in this publication. Arguably the need to locally design, develop and deliver policies as well as to create local economic and social activity is what ultimately differentiates community capacity building from community development.

Practically, these measures will help to build stronger, more resilient communities with greater community capacity and improved relationships between all sectors and individuals within a community. These principles help to create the conditions through which new forms of social and economic activity might be generated within any given location. It also enables private sector employers to locate in an area and to build better, more economically and socially sustainable businesses in conjunction with local knowledge and networks. This is a lesson that retailers and big businesses have learnt as they have invested more in inner city areas, whether through franchising or through bespoke partnerships with community groups and local government.

As described in the sixth principle above, it is this understanding that distinguishes the type of business activity that builds capacity and social capital in an area from those that merely site their operations in a specific place. The latter may help to develop the economy in a community and so may still be desirable but it does not help to develop the community or to work with it in the way that other private sector activities are able to do. It is also true for those large rural businesses, such as Melinda, who still depend completely on the knowledge, networks and outputs of co-operatives from many small or dispersed communities across large areas in Canada and Italy.

Figure 3.3. **The local multiplier effect (combining social and economic factors)**



Perhaps the most important lesson for policy makers is that all policies that support any type of sector or activity are also based on building the assets, capital and networks of individual people and households. As individuals or members of a household we all have a stake in our local communities, whether through working for or running a business, volunteering for a local charity, engaging in education, playing in a local sports team or responsible in some way for a public service in the area. We demonstrate this confluence of interests and activities in every day or week of our lives. The proportions of time allocated to each type of activity vary from person to person and place to place, but overall we are all examples of how blurred definitions and interconnections between different "economic" activities are utterly commonplace in households or in individual people's lives.

As individuals we are happier and healthier if our work and family lives are positive and if we can also engage in the things outside of work and family that we like to do – sports, hobbies, pastimes and so on. Communities, like individuals are stronger and more resilient – economically and socially – if all aspects of their lives are thriving. Local businesses and businesses franchised or owned from outside are just as much a part of that community as social economy or third sector organisations. They are just as likely to generate social capital in an area and through the skills, interests and motivations of its workers, contribute to the capacity of a place to develop and to change in the future.

As both the definitions of the social economy and the economic multiplier effect demonstrate, (see Figure 3.3). It takes all sorts of actors and assets to develop or to regenerate an area. The capacity of an area to develop is as dependent on the private, public and voluntary sectors as well as on households and individuals who are resident there. Measures to promote private sector and social entrepreneurship are a prerequisite for successful and sustainable regeneration. There are many strategies that will help to turn a deprived area around, but the most effective will be the ones that bring the best of the private, public and third sectors together and that recognise that most people will play some role in all three. No community can regenerate or sustain itself without the combination of all sectors and the understanding that it is by acting together that they are best able to build community capacity.

Bibliography

Atkinson, M. (1999), "Superstores Credited with Job Creation", *The Guardian*, 5 August.

Birkhölzer, K. (1996), "Social Economy, Community Economy", in R. Döring, H. Kegler, and K. Zimmerman (eds.), *People's Economy: Wirtschaft von Unten*, Bauhaus Dessau Foundation, Dessau.

Briggs, A. (1963), *Victorian Cities*, Odhams, London.

Brown, C., J. Haltiwanger and J. Lane (2006), *Economic Turbulence: Is a Volatile Economy Good for America?*, Chicago University Press, Chicago.

Carley, M., K. Kirk and S. McIntosh (2001), *Retailing, Sustainability and Neighbourhood Regeneration*, Joseph Rowntree Foundation, York.

Community Wealth Ventures and International Franchise Association Education Foundation (2004), *Nonprofit-Owned Franchises: A Strategic Business Approach*, *www.communitywealth.com/IFA_Report.pdf*.

Coyle, D. (1998), *The Weightless World*, MIT Press Fall, Capstone.

DCSF (Department for Children Schools and Families)/IoE (Institute of Education) (2007), *Influences on Children's Attainment and Progress in Key Stage 2: Cognitive Outcomes in Year 5*, Department for Children Schools and Families, London.

DETR (Department of the Environment, Transport and the Regions) (2000), "Indices of Deprivation 2000: Regeneration", *Research Summary*, No. 31.

Dorigatti, M. (2006), "Il Movimento Cooperativo Trentino Oggi", *Cooperazione Trentina, Guida alla Cooperazione Trentina. Storia, Valori e Regole del Movimento Cooperativo nel Contesto Internazionale*, Ciscra SPA, pp. 79-92.

Douthwaite, R. (1996), *Short Circuit: Strengthening Local Economies for a Security in an Unstable World*, Green Books Resurgence, Dartington.

Drolet, D. (2008), "Co-ops were Made for Hard Times", *The Ottawa Citizen*, 12 December, Ottawa.

Felstead, A. (2004), Inaugural Lecture at CLMS, Leicester University.

Fong, C., S. Bowles, and H. Gintis (2004), "Reciprocity and the Welfare State", in J. Mercier-Ythier, S. Kolm and L.G. Varet (eds.), *Handbook on the Economics of Giving, Reciprocity and Altruism*, Elsevier, Amsterdam.

Goodman, W. (2001), "Employment in Services Industries Affected by Recessions and Expansions", *Monthly Labor Review*, 1 October, USA.

Heseltine, M. (1987), *Where There's a Will*, Arrow Books, London.

HM Treasury (2004), "Creating an Enterprise Culture", discussion paper, *Advancing Enterprise: Britain in a Global Economy*, 26 January, *www.hm-treasury.gov.uk*.

HM Treasury (2008), "Resilience in the UK and other OECD Economies", Treasury Economic Working Paper No. 2, *www.hm-treasury.gov.uk/d/bud08_workingpaper 2_557_.pdf*.

ICIC (Initiative for a Competitive Inner City) and Boston Consulting Group (1998), *The Business Case for Pursuing Retail Opportunities in the Inner City*, ICIC/ Boston Consulting Group, USA.

Jacobs, J. (1961), *The Death and Life of Great American Cities*, Pimlico, London.

Johansson, B., *et al.* (2004), *Intellectual Capital Report for the Kista Cluster,* Royal Institute of Technology, Stockholm.

Katz, B. (2004), *Neighborhoods of Choice and Connection: The Evolution of American Neighborhood Policy and What It Means for the United Kingdom*, Brookings Institution, Washington.

Largo Consumo (2005), "Consorzio Melinda", *Largo Consumo*, No. 12.

Local Economy Solutions (2007), *The Social Enterprise Sector in Birmingham and Solihull*, Local Economy Solutions, UK.

Murray, R., G. Mulgan and J. Caulier-Grice (2008), *Generating Social Innovation: Setting an Agenda, Shaping Methods and Growing the Field*, The Young Foundation Discussion Paper.

Newman, K. (2000), *No Shame in My Game*, Vintage, USA.

Noya, A. and E. Clarence (2007), *The Social Economy: Building Inclusive Economies*, OECD Publishing, Paris.

Parri, L. and F. Sandri (2002), "La Ricostruzione Istituzionale di un'Economia Locale: Il Consorzio Melinda in Val di Non", *Rassegna Italiana di Sociologia*, Vol. 43, No. 2, pp. 251-266.

PricewaterhouseCoopers (2004), *The Economic Impact of Franchised Businesses*, International Franchise Association Education Foundation, Washington, USA.

Prince, H. J. (2003), *Retention and Advancement in the Retail Industry: A Career Ladder Approach*, Jobs for the Future, Boston.

Putnam, R. (2000), *Bowling Alone: The Collapse and Revival of American Community*, Simon and Schuster, New York.

Reich, R. (2002), *The Future of Success*, Vintage, USA.

Rodrik, D. (1999), "Where Did All the Growth Go? External Shocks, Social Conflict and Growth Collapses", *Journal of Economic Growth*, Vol. 4, No. 4, pp. 385-412.

Rogers, R., *et al.* (1999), *Towards an Urban Renaissance: The Report of the Urban Taskforce,* Department for the Environment, Transport, Local Government and the Regions, UK.

Ryan-Collins, J., L. Stephens and A. Coote (2008), *The New Wealth Of Time: How Timebanking Helps People Build Better Public Services*, New Economics Foundation and Timebanks UK, London.

SBS (Small Business Service) (2003), *Encouraging More Enterprise in Disadvantaged Communities and Underrepresented Groups,* Small Business Service, London.

Shah, H. and M. McIvor (2006), *A New Political Economy*, Compass, London.

Simms, A. (2002), *Ghost Town Britain: The Threat from Economic Globalisation to Livelihoods, Liberty and Local Economic Freedom*, New Economics Foundation, London.

Simms, A. (2008), *From the Ashes of the Crash: 20 First Steps from New Economics to Rebuild a Better Economy*, New Economics Foundation, London.

Simms, A., *et al.* (2005), *Clone Town Britain – Survey Results on the Bland State of The Nation*, New Economics Foundation, London.

Simms, A., *et al.* (2008), *Triple Crunch: Joined-Up Solutions to Financial Chaos, Oil Decline and Climate Change to Transform the Economy*, New Economics Foundation, London.

Westall, A., P. Ramsden, and J. Foley (2000), *Micro-entrepreneurs: Creating Enterprising Communities*, IPPR and NEF, London.

Westlund, H. (2003), "Social Economy and Employment – The Case of Sweden", *Review of Social Economy*, Vol. 61, No. 2. pp. 163-182.

Wilson, W.J. (1996), *When Work Disappears: The World of the New Urban Poor*, Knopf, New York.

Chapter 4

Community Capacity Building and the Environment: Sustainable Development and Environmental Justice*

by
Maria Adebowale, Director, Capacity Global, London, United Kingdom
and Lovleen Bhullar, Researcher

Community capacity building in the area of the environment is an area of growing interest. The recognition that environmental ills are often confronted by those from the most vulnerable parts of society, such as the poor and migrant communities, has led to increased demands for environmental justice within the framework of sustainable development. Beginning with a discussion of the ideas of sustainable development and environmental justice, the chapter then goes on to explore the role and contribution of community capacity building within these frameworks. Utilising case studies from Europe, the Americas and Australasia, this chapter identifies key determinants for successful community capacity building in the environmental sector.

* The authors of this chapter would like to thank Emma Clarence, Policy Analyst at the OECD, for her assistance, Ady Carrera who contributed to the Mexican case study, with information received from Karen Nichols and Ana Zúñiga of Diageo, and Jo Knight from ZeroWaste New Zealand for the information provided.

Introduction

Community capacity building, as is evident from the previous chapters, has a critical contribution to make to enabling and empowering local communities. Such potential should not be overlooked in the area of the environment. Indeed, understanding capacity building and its effectiveness is crucial to tackling environmental inequalities. This chapter examines the role of community capacity building and the contribution it can make to fostering sustainable development, and to the wider idea of environmental justice. Drawing on examples from Europe, the Americas and Australasia, the diversity of approaches to addressing environmental inequalities and promoting environmental justice is outlined before a number of key elements of effective community capacity building around environmental justice are highlighted.

Sustainable development

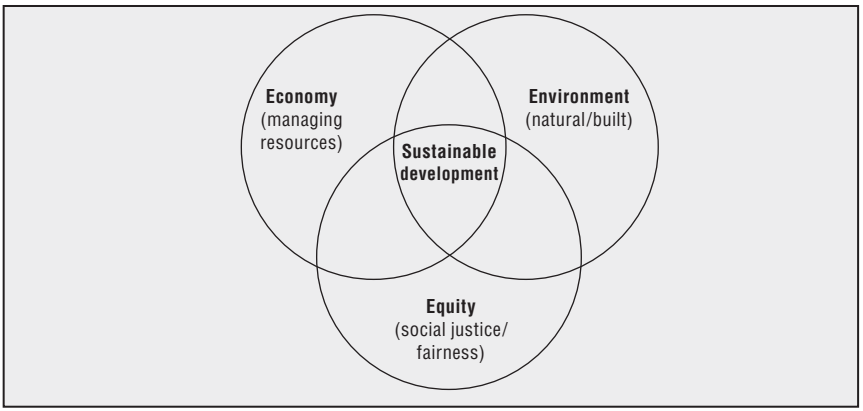
Gro Harlem Brundtland's now iconic definition of sustainable development – "development that meets the needs of the present without compromising the needs of future generations to meet their own needs" – was not about saving the environment only for the sake of the environment. Rather, it was part of an economic and social justice strategy for development which seeks to balance environmental, economic and social benefits. The definition first appeared in the 1987 World Commission on Environment and Development overview, *Our Common Future*, which was "a global agenda for change" (Brundtland, 1987).

The concept of sustainable development was developed as a response to tackling environmental degradation, social injustice and economic inequalities. Figure 4.1 (below) is the traditional visual tool to illustrate this nexus between the economy, environment and equity.

The Brundtland Report has played an important role in shaping the theoretical understanding of capacity building as part of social and environmental justice strategies. Emphasising that in order to improve the quality of life for present and future generations sustainable development must be pursued, *Our Common Future* also recognises the importance and challenge of supporting vulnerable communities. The fact that socially and economically excluded people were least likely to access "environmental goods" – clean water, unpolluted land – and most likely to receive "environmental bads" (for example, air pollution, desertification) has been well recognised globally. Unpacking these environmental inequalities or environmental injustices is crucial to improving these people's

quality of life. At the heart of the solution is the need to support and empower such communities. In practice, this means providing power through political development and participation, and, with regard to capacity building, this means concentrating on providing accessible information, participative decision-making processes, and supportive legislative and political structures.

Figure 4.1. **The intersecting spheres of sustainable development**



Although there are many definitions of sustainable development, which in turn have a different emphasis or focus on what environmental development is and how it is manifested, in many ways the diversity of definitions allows the flexibility that different regions, countries and civil society require. Despite such variations there are key themes and concepts that are reflected everywhere. These relate to prioritising the needs of the poor and developing capacity building initiatives (see Table 4.1).

Table 4.1. **Key themes and principles of sustainable development for capacity building**

Issue	Sustainable Development Response
Key principles	• The poor have the right to have their needs met first. • Development should have equal economic, environment and social benefits.
Key capacity building themes	• Promote environmental governance (such as Agenda 21 – outlined below). • Support equitable trade. • Transfer technology, information, finance and training. • Manage natural resources equitably.

There are a number of social and environmental challenges that have a community capacity building dimension, including climate change, desertification, flooding, marine and coastal degradation, poverty, health inequalities, unsustainable consumption patterns, discrimination, and the

failure to adequately enforce laws. All of these issues have a major impact on disadvantaged communities. Weidner (2002) noted that the issues are further complicated by which actors are involved and the context in which they operate. Effectively, dealing with environmental challenges and their potential complexities is heavily influenced by mechanisms, both the potential and capacity to support community level participation within environmental decision-making processes, and the systems (legislative and policy) that enforce or support community voices.

Environmental justice

Environmental ills which impact disproportionately on socially and economically excluded communities and groups have been, and are being, challenged by the environmental justice movement which seeks to empower the disenfranchised. Capacity building provides communities with the opportunity to access resources and expertise in order to challenge environmental decisions and it has the potential to make a positive impact on the lives of socially excluded communities. A clearer understanding of environmental justice movements, including the actors and the resources used to mobilise and enhance participation, could be used as a political and procedural tool for community capacity building.

The narrative of equality and justice within the context of environmental justice often refers to the equitable share of the environment (built and natural) of all humans, and the inequitable impact of environmental ills, such as pollution, on predominately vulnerable groups or communities such as the poor, minority groups, indigenous peoples, and women and children. As such, environmental equality is closely related to discussions surrounding the concepts of "ecological debt" and "ecological footprints" both of which are concerned with who benefits from, and who pays for, the environment and its degradation (McClaren, 2003). Furthermore, it is clear that there are strong links between environmental justice and ideas of sustainable development. As the Brundtland Report highlighted, the idea of sustainable development is based on the premise that environmental degradation is a result of human activity, but more specifically the activities of the affluent rather than the poor. Dealing with this inequitable impact is seen as crucial to increasing environmental standards, improving equitable shares of environmental resources, alleviating poverty and strengthening the democratic process.

A review of environmental justice in the United States suggests that environmental equality is central to notions of environmental justice. This is illustrated by the general definition of environmental justice as the right for any one group, in particular minority and low income populations, not to suffer the disproportionately high and adverse health or environmental effects of activities, policies and programmes. The environmental justice

movement began as part of the civil rights movement in the United States of America, culminating in a direct environmental equity movement in the 1980s and 1990s. The main premise of this movement is to achieve equitable distribution of environmental risks across "racial"/ethnic and social lines. Such support developed out of concerns, backed by research, that hazardous installations, such as toxic waste dumps and polluting factories, were predominantly sited in areas where most of the population were poor and from ethnic minority groups. As a result, minority neighbourhoods were suffering disproportionately from the impact of industrial and hazardous waste facilities. In 1992, as a direct response to calls for laws on environmental equity, the US Environmental Protection Agency created an Office of Environmental Justice. Despite this, significant problems continue to be in evidence: a report by Bullard *et al.* (2007) notes that Black Americans are still 79% more likely to live in neighbourhoods where industrial pollution is alleged to cause potential health dangers and that residents in these neighbourhoods are poorer, less educated and more often unemployed than those elsewhere in the US.

Community capacity building and the environment

The issue of environmental equality and justice is reflected in global and national social justice agendas. Whilst the challenges may vary it remains that around the world ideas of environmental justice have been consolidated around the key issues of access to natural resources and participation in decision making on environmental issues. Capacity building is clearly an important tool in meeting these challenges.

Capacity building within the context of environmental equalities has been at the root of sustainable development since at least the early 1970s. Indeed, from the 1972 Stockholm Conference on the Environment, held by the United Nations, there has been a marked understanding that environmental protection has to go hand in hand with social and economic development. This has been more fully articulated in subsequent meetings and increasingly accompanied by an explicit consideration of the role of capacity building.

Agenda 21

The 1992 United Nations Conference on Environment and Development (the Rio Conference) formally recognised the importance of capacity building in the environmental context. The conference adopted Agenda 21 as a framework for action on environment and development. It included a broad description of the scope of capacity building:

> Specifically, capacity building encompasses the country's human, scientific, technological, organisational, institutional and resource capabilities. A

> fundamental goal of capacity building is to enhance the ability to evaluate and address the crucial questions related to policy choices and modes of implementation among development options, based on an understanding of environmental potentials and limits and of needs as perceived by the people of the country concerned. (UNCED 1992)

In addition to Agenda 21, the three multilateral environmental agreements – the *Convention on Biological Diversity*, the *United Nations Framework Convention on Climate Change* and *United Nations Convention to Combat Desertification* which were opened for signature at the Rio Conference, also included explicit capacity building provisions.

The Agenda 21 priority of building capacity to assist developing countries to obtain their sustainable development goals was reconfirmed at the 2002 World Summit on Sustainable Development. The Johannesburg Plan of Implementation included over 35 references to capacity building and called on the United Nations Environment Programme and other UN agencies to "strengthen their contribution to sustainable development programmes and the implementation of Agenda 21 at all levels, particularly in the area of promoting capacity building". (UN 2002)

As suggested by the World Resource Institute (2005), the benefits that can be directly derived to the poor can significantly impact on their income. World Health Organisation findings also suggest that a degraded environment will have an immediate impact on the poor or vulnerable. There has been growing recognition of the need to develop their capacity to access information, participate in, and contribute to, decision-making processes (DFID, 2002). For instance, in May 1991, the participants at the first United Nations Development Program (UNDP) symposium, *A Strategy for Water Sector Capacity Building,* emphasised that capacity building is a long-term, continuing process, in which all stakeholders should participate. They also identified the following three key components of capacity building:

1. Creation of enabling environments including appropriate policy, legal and regulatory frameworks.
2. Institutional development, including community participation (women in particular).
3. Human resource development and the strengthening of managerial systems (UNDP, n.d.).

Whilst the exhortations for capacity building had been growing, a global community capacity building strategy emerged following the preparation of a report by UN Commission on Sustainable Development (CSD). By acknowledging the need for improved capacity in the UN's relationships with communities, the report alluded to a participatory model of community capacity building

(McGinty, 2002). This was reflected in the 1996 report of the CSD, which described capacity building as:

> "the process and means through which national Governments and local communities develop the necessary skills and expertise to manage their environment and natural resources in a sustainable manner within their daily activities. The main ideas behind this concept are the following:
>
> – strengthening peoples' capacity to achieve sustainable livelihoods;
> – a cross-sectoral multidisciplinary approach to planning and implementation;
> – emphasis on organisational and technological change and innovation;
> – emphasis on the need to build social capital (*i.e.* voluntary forms of social regulation) through experimentation and learning;
> – emphasis on developing the skills and performance of both individuals and institutions" (UNCSD, 1996).

This strategy partially facilitated an institutional response that emphasised a view of community capacity building which included bottom-up and participatory approaches.

The effectiveness of a capacity building programme depends on its ability to harness that potential for the long-term achievement of results (Ohiorhenuan and Wunker, 1995; Ocean Studies Board, 2008). Community capacity building to tackle environmental issues must also be informed by a three-dimensional framework which recognises the social and economic aspects of sustainable development. Therefore, the success of a capacity building project can be measured by the resulting growth of environmental, social and economic capital within the community.

It is crucial to understand capacity building as an endogenous process where external agencies, such as governments, civil society and businesses, act merely as a catalyst, facilitator or knowledge broker for the communities (Ohiorhenuan and Wunker, 1995). Some capacity building efforts have been criticised due to their failure to recognise the pre-existing capacity of communities. The ultimate goal of a capacity building initiative should be the development of local leadership and increased stakeholder engagement and control over programme management (Gibbon *et al.,* 2002). The empowerment of communities will further allow them to build networks and partnerships, which will enhance their ability to ensure the sustainability of decisions that influence their quality of life.

A Community-Based Participatory Research study (CBPR) was developed by academic researchers to look at environmental health and ways in which participatory research within communities might tackle health impacts caused by environmental injustices (Minkler *et al.,* 2006). Focusing on four partnerships in the United States, the study developed an overall model

to examine ten areas or "dimensions" of community capacity building (Freudenberg, 2004). These included: leadership, participation, skills, resources, social and organisational network, community identity, and community understanding of its history, its level of power, shared values and critical reflection.

The study provided a useful review of dimensions of community-based participatory research. Key dimensions of community capacity identified were:

- strong community leadership;
- participation;
- skills and resources;
- ability to form and maintain networks; and
- shared values.

The importance of a strong community leader in developing partnerships was highlighted. Not only did strong leaders contribute to the perception of them, and their previous experience, but it also granted them authority in their dealings with policy makers. Linked to the importance of strong leadership is participation. Additionally, the role of understanding and using research findings was perceived as a catalyst for action, allowing the participants to increase their ability to make informed decisions that are most likely to reflect community values. As the study was focused on environmental justice and capacity building it is perhaps understandable that "critical facilitating factors" (Minkler *et al*., 2006), including leadership, participation, skills, resources, social and organisational networks, and an understanding of the demands and challenges of working in partnership, can be identified.

The study also highlights the potential to galvanise community engagement by employing community members to transfer information and create a strong base for community action. The potential to build environmental action through the politicisation of communities and the articulation of demands for social justice and equality rather than traditional environmental conservation principles can also be seen. This is particularly important for community or community members who do not see themselves as environmentalists and are therefore put off the idea of taking "environmental action".

In the following section community capacity building in the context of specific environmental issues – climate change, pollution and natural resource management – will be considered. All of these issues have substantial social and economic ramifications. The case studies highlight different aspects of community capacity building. For instance, in some cases the provision of information on the local impacts of climate change has encouraged community action. Indeed, a feature of many of the case studies below is the

way in which the participation of communities, which have been previously excluded from the environmental decision-making process, can significantly influence the quality of the outcomes and make them more relevant to their needs (Downing, 2001).

Effective environmental community capacity building: Case studies

Overview

The principles and definitions for capacity building and environmental justice provide a useful framework for evaluating the effectiveness of both top-down, but more particularly bottom-up, examples of community capacity building. This section examines community capacity building in terms of policy and practice with case studies from countries in both western and eastern Europe, the Americas (the United States of America, Canada and Mexico) and Australasia (Australia and New Zealand). They have been chosen to illustrate the diversity of approaches to capacity building in the context of environmental challenges, in the main for vulnerable communities. Many of the case studies have been part of finite projects, lasting from less than a year to over a decade, and they have taken place at different times over the last seven years. Some of the projects from which the case studies originate have ended and others have developed into new initiatives.

In essence the case studies are a tool to reflect on the approaches used to support and enable poorer communities to deal with environmental problems. They also provide a perspective on the environmental context in which community capacity building can have an impact and the potential opportunities raised for, and the main barriers to, community empowerment in relation to environmental decision making and participation.

The case study overviews are also referenced by the use of effective tools for community capacity building and environmental governance which are illustrated in Table 4.2 below (Adebowale, 2002). The table is based on the environmental justice organisation, Capacity Global's, study of the most successful attempts at creating environmental justice. Such successes have built the capacity of vulnerable groups through funding, the provision of information, and the removal of barriers to participating in decision making by creating avenues for communities to challenge and influence traditional top-down decision-making processes.

Europe

The size of Europe, and the environmental diversity which it encompasses, make it unsurprising that there are numerous and significant environmental challenges. The fourth assessment of Europe's environment identifies several key

Table 4.2. **Effective tools for community capacity building and environmental governance**

Access to information and resources	• Create information exchanges between, from and to vulnerable communities on the issues of concern. • Ensure this is in a format that is best understood by the particular group. • Create dialogue forums in which vulnerable communities feel confident to speak and to be heard. • Assess regularly with vulnerable groups the specific impact of environmental degradation and the environmental management systems in use. • Develop and amend management processes in accordance with information and concerns raised in dialogue with vulnerable communities. • Consider the ability to develop economic and social capital and to what extent it already has been developed.
Access to participation and decision making	• Ask what might be acting as a barrier to participating in environmental management. • Work with the community or group to find ways of tackling these barriers. • Offer resources, such as travel, accommodation, tools, child care and literacy classes, where possible, to aid participation. • Provide user-friendly management methods and question how user-friendly they actually are. • Allow for self-management based on a framework agreed by the group or community.
Access to justice and political influence	• Work with groups or communities to tackle discriminatory decisions. • Provide access to legal and scientific resources. • Campaign to stop discriminatory practice or behaviour. • Raise awareness of legal, political and administrative barriers.

environmental challenges: depletion and contamination of natural resources due to patterns of production and consumption, environment related health concerns (issues related to air quality, inland waters, soil, and hazardous chemicals), exacerbation of extreme weather events due to climate change and associated impacts on socio-economic activities, biodiversity loss, overuse of marine resources and pressures on coastal environments (European Environmental Agency, 2007). At the same time, differences can be identified between eastern and western Europe. For instance, transport energy consumption and the resulting per capita carbon dioxide emissions are higher in western Europe but the emissions per capita are lower, whereas in eastern Europe pressure on natural resources and high levels of industrial pollution in the region has served to underline the need for resource management. What is clear is that the expected consequences of environmental degradation and climate change are becoming increasingly evident across Europe.

The following case studies have been used only to provide some insights into how community capacity building has been used to address flooding, resource management and hazardous waste in Europe.

England: Coastal Futures – the Humber community project

The Humber Community Project "Coastal Futures" worked with communities living in coastal areas of the Humber estuary, a low-lying area of the north-east of England with a high risk of flooding, home to over 300 000 people. The

project was established by four partner organisations: the UK central government's Department for Environment, Food and Rural Affairs (Defra); the Environment Agency and Natural England (both non-departmental public bodies of Defra); and, the Royal Society for the Protection of Birds (RSPB, a non-governmental organisation) in 2005 and funded for a three year period. The objective of Coastal Futures was to work with those communities geographically most at risk from flooding and affected by the Humber Flood Risk Management Strategy to alter current sea defences in the region. It worked with communities to clarify the issues around flood management and changes to flood defences and to help them gain an understanding of the inability of existing sea defences to stop flooding indefinitely. Working with communities the project sought to transfer knowledge on three main issues: *i)* the length of time flood defences could stop or limit flooding; *ii)* how vital habitats could be effectively managed; and, *iii)* how solutions could be found that explored new ways of managing flood risk for both people and property.

The project started by hiring a project officer to work with at-risk communities, in particular agricultural workers or farmers whose land was most likely to be lost through managed realignment, a process whereby flood defences are moved inland allowing old barriers to be breached by allowing the tide to move in and out, eventually creating new habitat areas. While the success of the programme seems to be the support it received from key partners in civil society and government, one of its most fruitful assets was its independence and the time invested by the project officer to work with communities, individual households and parish councils, and with local government. The project also offered key tools for developing the communities' capacity to participate in the project, including the transfer of information via its website, establishing information sessions with individual community groups and events, such as family days.

The project finished at the end of 2008 and initial feedback suggests that they have been able to inform some of the communities they wished to engage with and have helped the communities to put forward their views on the proposed strategy, including problems and potential solutions. This has been demonstrated by the number of individuals attending their events, the numbers visiting their website and community input into the strategy. The events and information sessions allowed households and farm landholders in the flood areas to discuss their concerns about flood risk, to gain more information on managed realignment and to challenge such a solution.

The project created the opportunities for communities to access information and resources by establishing forms of information exchange on issues such as climate change and the impact of flooding on land realignment choices for at-risk communities in the Humber. However, the Humber Coastal Futures Project was ultimately limited by its remit – that is, to support communities

who would be affected by the Humber Flood Risk Management strategy being implemented by the Environment Agency. The at-risk communities were not able to exert political influence in changing a decision already made by central government and government agencies. As the decision had already been made on the need for land realignment it immediately limited the ability to reflect or take on alternative solutions. In addition, the need for the project to assist in establishing agreement as to which areas should be chosen for realignment was likely to create competition between landowners as to whose land should be realigned. The limited choice of substitute land could further fuel such competition. Ultimately the project, despite using capacity building tools, operated in a political context that was likely to support a "not in my backyard" culture as opposed to one that develops cohesive community empowerment.

Romania: Unitarian Universalist Partner Church Council – capacity building and flooding in Transylvania

In August 2005 flash flooding devastated fourteen villages in the Nyiko Valley in Transylvania. The floods, in which three people died, destroyed homes, and damaged the small service industries and agricultural sector upon which the valley was economically reliant. Following the flooding, communities from all the valleys self-organised to rebuild their communities. The self-established Nyiko Valley Flood Relief and Rehabilitation Committee (Relief Committee) agreed that their main goal was to get residents to discuss their problems and share information, believing that they were the best experts to deliver community action on localised flooding. Their other goal was to identify and prioritise needs. They agreed that the solution was to form an action plan on the basis of the participatory approach of the Unitarian Church of Transylvania. Two villages, Bencéd and Székelyszentmikhály, were involved in this project.

The Unitarian Universalist Partner Church Council (UUPCC) is a not-for-profit, incorporated civil society organisation and is a partner of the Unitarian Universalist Association. The Council represents over "1000 liberal religious congregations" with a remit to support and engage congregational communities to promote human rights and justice, and economic fairness. The work of the Council and the Association is assisted through local level networks which operate in the countries it works in to encourage capacity building and the transfer of knowledge.

The Council's work in Romania focused on delivering a capacity building project in the flood affected areas in Transylvania with a strong engagement with sustainable development issues. It believes that partnership with communities "transforms from charitable giving to capacity building" (UUPCC, 2006). In essence, the Council recognises that the transfer of power provides economic, social and environmental benefits enabling sustainable development changes.

Initially the work concentrated on auditing damage done by the flooding. Using discussion and sketch maps the extent of the damage was reviewed and the areas most in need of structural improvement and rehabilitation were highlighted. With the implementation of the UUPCC's strongly participatory community capacity building approach the relief committee developed an action plan not only to address these issues but also to consider for the future for the Nyiko Valley beyond reactive rehabilitation. Whilst there were tensions in the process, notably in discussions around large projects (such as water and sewerage projects), through discussion the communities found themselves able to identify potential solutions. The project communicated a range of positive community participation impacts, including the development of skills within the community to tackle not only the immediate problem of flooding in the valley but to raise resources for economic and social projects for the future.

Recognising the need for communities to work together was an important outcome of the project. A review of the findings of the project highlight that the community recognised that they were more effective if they operated collectively with other villages in the valley. There were, however, a number of underlying issues which make it difficult to assess the ability of the most vulnerable members of the communities in the valleys to fully benefit from participating in the decision-making process. Whilst attendance grew over the three nights, particularly amongst women, there is little evidence provided as to whether the Council and the relief committee had sought to include the most vulnerable households in the communities. Finally, whilst the project illustrates how the communities were able to self-organise the development of action plans, it was noted that they lacked the capacity, particularly in the area of leadership, to move the process forward. There was a need for training to help individuals develop the necessary skills to enable leaders within the community to "learn skills of contracting, proposal writing, project management, and group decision making" (Ford *et al.,* 2006). The potential over-reliance on external help could be a significant barrier to developing self-organised and managed strategic frameworks. This could lead to a reduction in the ability of the communities to gain political capital through the strategic development of clear and measurable aims, objectives and action plans.

Australasia (Australia and New Zealand)

Australia

Australia's third independent report into various aspects of Australia's environment, the *State of the Environment* (SoE) report in 2006, covered the period from 2001-2006. Its key findings highlighted climate variability and climate change, lack of accurate, nationally consistent environmental data, and the intensification of pressures from human activities, including increasing

resource consumption, as key environmental issues of concern. The progress made in Australia's environmental performance from the second report was attributed to the increased co-operation in environmental stewardship between governments and the community, including indigenous communities.

In recent years, community capacity building in the environmental context has become the focus of public policies and programmes addressing pollution and climate change issues as well as natural resource management. Natural Resource Management Plans (NRMP) are an integral part of Australia's approach to sustainable development. Each of the 56 regions into which Australia has been divided are required to produce a NRMP which has been prepared with the involvement of a wide range of public, private and third sector actors, and local communities. Community capacity building is an activity integral to the development of the Plans.

North Central Catchment Management Area – Indigenous peoples involvement in land and water management

Even before the Australian federal government had introduced NRMPs, the State of Victoria had been seeking to address pressing environmental issues. Legislation such as the 1989 Water Act and the 1994 Catchment Land Protection Act led to the establishment of ten Catchment Management Authorities (CMA) and the Victorian Catchment Management Council (VCMC). The CMAs are responsible for the health of rivers and waterways and have a clear remit to foster community empowerment through the maximisation of opportunities for community engagement. The VCMC acts as a conduit for CMAs to raise issues and to influence policy, rather than overseeing the work of the CMAs.

Indigenous peoples in Australia have a long history of dispossession; they continue to confront discrimination, and have very poor outcomes with regard to health, life expectancy, education, etc. It is unsurprising therefore to find that indigenous Australians also face significant problems in contributing to the work of CMAs. Fostering the involvement of indigenous Australians was promoted by Monica Morgan, the first indigenous Australian member of the VCMC. The appointment of Morgan to the VCMC illustrated three key things: the legitimacy of indigenous people to an influential body, the ability to educate non-indigenous people on indigenous natural resource management, and the potential of indigenous people to influence NRMPs. With her authority and standing, Morgan was able to argue for the development of protocols which would explicitly detail ways in which indigenous peoples could be included in the work of CMAs.

In 2000 the need to improve participation of indigenous people began with an open-ended workshop with people from the indigenous nations

across Victoria funded by the Environmental Protection Authority and Aboriginal Affairs Victoria. Independent from funders, the workshop was organised by indigenous Australians and agencies. This independence was crucial in the development of trust in the process and contributed to a frank exchange of views and perspectives from all the peoples involved.

Morgan disseminated the findings from the workshop at major events such as the Victorian Catchment Management Conference to raise the profile of indigenous Australian's perspectives on natural resource management. Respect for indigenous interests and values in natural resource management and the importance of ongoing communication were highlighted, as well as the need to develop a set of protocols to facilitate the participation of indigenous peoples. This helped to raise both support and funds.

While there were administrative problems, and a lack of time and finances, these were overcome by narrowing the scope of the project in order to develop a pilot project. The pilot project was conducted in the North Central region of Victoria which contained indigenous nations, four majority nations and two smaller nations. All six nations have high levels of unemployment with a low level of land ownership, although there are "native title rights", which recognises their rights and interests – but not in these cases possession – of land as a result of traditional laws and customs. Whilst indigenous Australians tend to have little involvement in NRM-based industries, such as farming, they are known to have spiritual, cultural and heritage values related to natural resources. They also have a desire to talk to government and land owners to transfer their knowledge of managing natural resources.

As a result of feedback from indigenous people, engagement was developed by providing forums in which their experiences, concerns and knowledge could be shared. This process was not without misunderstandings and concerns; nevertheless, it has contributed to the development of protocols and principles for indigenous engagement in NRMPs. Furthermore, it has more widely influenced regional and State capacity building with indigenous Australians. These protocols appear to have built constructive working relationships between peoples and agencies in regional natural resource management: "the protocol agreements deal with fundamental matters of recognition, mutual respect and acceptance as the basis for future engagement and partnerships" (Smyth, Szabo and George, 2004).

The effectiveness of the project was reliant not only on a key influential member from one of the indigenous nations but also by the design of the process itself. The pilot project allowed for the testing of engagement and capacity building processes that might not have occurred in a larger scale project which suggests that a process for dialogue and decision making, that began to change traditional non-indigenous stakeholders' attitudes of the

importance of traditional natural resource management, had been created. Despite these positive impacts, there were a number of major barriers which challenge the effectiveness of the capacity building process and tools used.

The main problems appear to have been the inability of the process to tackle imbalances in knowledge, understanding and political weight. There was a failure to recognise the potential for diverse needs and knowledge within indigenous peoples. In addition, the project existed and operated in a political context where political weight was not equally balanced between indigenous people and other stakeholders; the result being that they were less able to influence the natural resource management process and strategies. Whilst the inclusion of indigenous people has been widely recognised as illustrating good practice, it should be acknowledged that the people within the six nations were concerned that while the principles were important for offering ways to develop greater participatory decision making, it remained that much of the planning process for the overall natural resource management agreements had commenced with other stakeholders in advance to that of indigenous Australians.

New Zealand

Environment New Zealand 2007 (Ministry for the Environment, 2007) is the second national level state of New Zealand's environment report. It particularly highlights climate change and decline in water quality, as a consequence of the increasing intensity of agricultural production, as major environmental concerns. The following are key determinants of the state of the environment in New Zealand: poor air quality, resulting from home heating and pollution from road transport; increase in national greenhouse gas emissions from the agricultural sector, and energy generation and transport; intensive land use and erosion; and the wider ecosystem effects of human activities on the marine environment, as well as continued threats to native endangered species.

As in Australia, climate change and natural resource management have been the focus of environmental community capacity building initiatives in New Zealand. A number of projects target the indigenous people of New Zealand, the Maori communities. Here also, the government has played a proactive role in community facilitation, although community activism has also played an important role as the case study below demonstrates.

The Zero Waste Trust and WasteBusters. The Zero Waste Trust is a non-governmental organisation established in the late 1990s to campaign for zero waste in New Zealand through recycling and composting. The goal of reducing and, where possible, reusing waste is underpinned by the public's mistrust of using incinerators to burn waste. The implementation of a Zero Waste

Strategy has raised the profile of zero waste to landfill in New Zealand and the Trust has dedicated its efforts towards "zero waste and a sustainable New Zealand". Zero Waste has worked with both local councils and community groups to develop waste minimisation activities that are part of the principal and philosophy of zero waste.

Essentially, the Trust's impact has been through the promotion of a vision of zero waste and working with community groups towards that goal. Working alongside those communities they have sought to create collective pressure on national government to take up a zero waste strategy. The Trust was successful in getting the New Zealand government in 2002 to set a goal of zero waste by 2020. This has given the Trust a reputation as an organisation that understands partnerships and has community backing. The Trust has played a key role in illustrating how local communities can deal with their own waste by reducing, recycling and reusing waste.

An example of a community organisation which the Zero Waste Trust has assisted is WasteBusters, which manages the "resource recovery operations" for Ashburton District Council in the Canterbury region of New Zealand. Established in the mid-1990s WasteBusters now employs over 20 people and has a turnover of around NZD 1 million. In 1994 Anita Coghill and Sheryl Stivens were invited to participate in a working party to develop a solid waste management strategy by Ashburton District Council. These two volunteers established WasteBusters Trust and developed a programme to minimise waste in the schools (28 in total) across the District Council area.

Contracted to deliver waste minimisation programmes in schools and to the local community, WasteBusters became involved in the ZeroWaste campaign. First offered a recycling contract by Ashburton District Council in 2001 WasteBusters has gone on to provide other services including composting and an Education Centre whose purpose is to encourage communities to adopt the ZeroWaste agenda. Education has played a critical role in building community support for less waste both from "bottom" and from the "top". With support from the ZeroWaste Trust New Zealand, WasteBusters was able to provide workshops for local councillors and council officers to present the ZeroWaste approach. At the same time, the work of WasteBusters amongst local communities has played an important role in convincing them to adopt a zero waste approach.

As was noted earlier, the development of local leadership and increased stakeholder engagement and control over programme management are seen as key elements of community capacity building. Local leadership was critical to the initial foundation of WasteBusters and through education programmes, workshops and even activities such as "Winter Waste Fests", community involvement has been enhanced. One isolated local community within the

district has decided to take responsibility for all the waste which they produce, suggesting that WasteBusters has been successful in not only conveying the zero waste message within the district but also to building the capacity of specific communities.

Furthermore, a central factor in the success of WasteBusters has been their embeddedness in the local community. Not only is the organisation a locally developed one, but it has remained rooted in the community it serves. Employing local people, including disadvantaged and socially excluded people (with government support), has led to the development of WasteBusters as being seen as "an extension of the natural involvement and co-operation" which already existed within the District (Knight, 2007).

The Americas

USA

The US Environmental Protection Authority's 2008 *Report on the Environment* provides information about the state of air, water, land, human health and ecological condition in the United States. There has been a decrease in the emissions and outdoor air concentration trends for selected air pollutants, acid rain, and concentrations of total ozone-depleting substances, but US greenhouse gas emissions from human activities have increased. Fresh surface waters, wetlands and coastal waters show a mixed picture. The report also recognises the occurrence of biodiversity loss.

In the US, community capacity building for environmental issues has been on the political and social agenda following the environmental justice movement. The EPA has engaged with communities to address environmental and health issues arising from pollution and siting of toxic/hazardous facilities. A large number of environmental justice organisations have also been instrumental in promoting community capacity building.

EPA Environmental Justice Demonstration Projects (Barrio Logan). Barrio Logan is a neighbourhood in San Diego (California) with around 6 000 inhabitants. It is predominantly Latino (85%) and has high levels of unemployment and poverty. As a city San Diego has significant problems with pollution, and "communities of colour", such as Barrio Logan, confront higher risks of pollution related illness. In 2000 the Environment Protection Agency and the Environmental Health Coalition (EHC, a non-profit organisation) came together to make Barrio Logan a Federal Interagency Environmental Justice Demonstration Project. The project was aimed at mobilising resources and co-ordinating business, governments and the community to address their specific needs. The Coalition set up a partnership with the California Air Resources Board, City of San Diego, University of Southern California, federal agencies, and others, to decrease exposure of the residents to

air pollution, reduce incompatible land use, and improve children's health by improving the ambient environment. The Coalition is divided into four campaigns in order to address different issues: the Toxic-Free Neighborhood (TFN) Campaign, Clean Bay Campaign (CBC), Border Environmental Justice Campaign (BEJC), and Community Assistance Program (CAP).

One focus of the partnership was incompatible land use, which exposed residents to excessive pollution levels. After receiving several citations for violating hazardous waste regulations, the company Master Plating closed in October 2002. EPA, and other agency partners, provided technical support during the removal of toxic waste from the site. The partnership has also worked with the community to address air quality issues related to truck idling and parking in residential areas and near schools. This community-led project highlights one of its successes as changing city parking enforcement policies, and reducing air pollution from idling trucks. The TFN Campaign organises low income residents in Barrio Logan, San Diego and Old Town to advocate for the prevention of toxic pollution from industrial and mobile sources. This is integrated into the work of CBC unites workers, bay side communities and conservationists to clean up, restore and protect San Diego Bay as a clean and healthy multi-use water resource capable of supporting a diverse range of activities. In turn the BEJC works to reduce toxic pollution caused by *maquiladora* (assembly plant) industries in Tijuana and to promote fair trade and globalisation for justice. These programmes have been supported by CAPs information programme. The CAP has created fact sheets to help individuals eliminate their use of toxic pesticides and cleaners in the home and guidebooks for government and other institutions. EHC, in turn, is provided with updated information about health and environmental effects and can help individuals, organisations and others reduce pollution. EHC has also helped many groups and individuals fighting for environmental health and justice in other communities.

The integrated collective approach between the organisations to provide information and participation has the potential to cover wider ground and to support an informed capacity building social network. However, it can make it difficult to accomplish a tangible activity given the diversity of actors, with problems agreeing on what actions and steps to take, and their implementation. In addition, the lack of commitment from individual partners can undermine the partnership's collective efforts. At the same time the partnership is sometimes accused of being over-ambitious, instead of adopting an incremental approach; also, it tries to address issues that cannot be resolved in the short term.

Canada

The third annual *Canadian Environmental Sustainability Indicators Report 2007* (Government of Canada, 2007) tracks changes in air quality, greenhouse gas

emissions and freshwater quality in Canada. Air quality indicators showed no significant trends in either direction. The greenhouse gas emissions indicator, which tracks annual Canadian releases of the six major greenhouse gases, found a reduction in emissions between 2003 and 2005 due to a significant fall in electricity production, a lower rate of increase in fossil fuel production, and a decline in demand for heating fuels due to warm winters. The freshwater quality indicator assesses surface freshwater quality with respect to protecting aquatic life but no national trends can be identified due to differences in water quality monitoring programmes across Canada.

Atlantic Coastal Action Program. The Atlantic Coastal Action Plan (ACAP) is a community-based programme initiated by Environment Canada in 1991 in response to increasing concern about the condition of coastal ecosystems and a growing demand for the public to be involved in decision making related to their environments. ACAP involves fourteen sites across Atlantic Canada, with each site having an incorporated, non-profit organisation which is formally linked with other sites under the umbrella of ACAP. Funding for the full-time co-ordinator, office and project work is met by Environment Canada, donations, volunteering and in-kind contributions. At the time of its inception, ACAP's mission was "to help community define common objectives for environmentally appropriately use of their resources and to help develop plans and strategies that help achieve them" (*http://atlantic-web1.ns.ec.gc.ca/community*). As such, ACAP organisations recognise that local communities are the most "effective proponents for effective action leading to sustainable development".

Following the establishment of ACAP, each site was given the task of preparing a comprehensive environment management plan which would identify key issues and outline the potential remedial activities which best addressed local community needs and social and economic objectives. Whilst there was explicit engagement with, and involvement of, local communities it was during the second and third phases of ACAP (1997-2008) that the importance of capacity building became increasingly emphasised. ACAP organisations implemented projects for "Knowledge Generation" which sought to share and disseminate knowledge in order to promote informed decision making. Accompanying these were capacity building projects which sought to create partnerships between local communities and government and non-governmental organisations and to provide the skills which would ensure that the partnerships were effective. Finally, "Action Projects" were implemented which sought to "resolve social, economic, and environmental issues and prevent new issues or conflicts from arising" (*http://atlantic-web1.ns.ec.gc.ca/community*).

The importance of sharing knowledge and building partnerships has been emphasised by the Science Linkages Initiative. This initiative brings

together the ACAP organisations and scientists from Environment Canada to work together on activities such as the development of research of common interest. This research, whilst of use to ACAP organisations, also often "fits" into wider federal and provincial government programmes which help to further promote collaboration.

The success of the first two phases of ACAP led to funding being provided for a further five years (2003-2008) during which the ACAP approach was to be expanded to other parts of Atlantic Canada and multi-stakeholder coalitions based on larger regional areas were to be supported and developed. Accompanying this is enhanced collaboration across departments and governments to support local communities through the broader Sustainable Communities Initiative which was being piloted in Nova Scotia.

The impact of ACAP on local communities should not be seen as being positive in only one direction – that is in helping to foster and maintain community involvement in meeting local environmental issues – there have been clear benefits for Environment Canada as well. The "Windows" programme of Environment Canada, whereby an employee of Environment Canada works directly with one ACAP group on an ongoing basis has not only assisted ACAP organisations to understand the work of Environment Canada but it has also provided a "window" for Environment Canada onto the reality of working with local communities. Indeed, it can be suggested that the "Windows" programme has contributed to changing how Environment Canada works with communities. There has been a move away from a traditional "top-down" approach in the delivery of its programmes and policies towards "co-management", whereby goals and priorities are established together and solutions are developed with the involvement and buy-in of the key interests.

Joint Action Group for environmental clean-up of the Muggah Creek Watershed (JAG), Sydney, Cape Bretton. The Joint Action Group (JAG) was established in 1996 by federal, provincial and municipal governments as a citizens' advisory group to "educate, involve and empower the community through partnerships, to determine and implement acceptable solutions to Canada's worst hazardous waste site, and to assess and address the impact on human health" (Palen *et al.*, 2004). The central objective was to identify and recommend acceptable options for the remediation of the Sydney Tar Ponds (the Muggah Creek Estuary) and the former Coke Ovens site, which have been described as Canada's worst toxic waste sites.

JAG created and implemented a wide range of opportunities for community engagement, using tools such as community meetings, round tables and citizens' juries, to educate members of the public about the site and relevant clean-up technologies, as well as to gather input regarding acceptable clean-up options. JAG was able to make a number of recommendations to government partners

regarding acceptable remediation options and government partners began implementing some clean-up activities and were engaged in the early stages of an environmental assessment process for further clean-up.

Significant steps were undertaken to educate the public about the characteristics of the site and about possible clean-up technologies. The process emphasised the importance of raising community awareness and fostering community involvement, and significant effort was made to engage and inform the public, such that it became a hallmark of its activities. Indeed, participants played a significant role in designing and implementing the overall community engagement strategy. As a result the process gave people an opportunity to participate in the development of recommendations as to how to move forward with the clean-up of the Tar Ponds Site. Ultimately, however, it must be noted that the option chosen was not that identified by JAG and was delayed by a decision to undertake a large, detailed environmental assessment of the proposed remediation options.

Despite the recognised successes of JAG there were a number of barriers identified which hindered its work. The pace of decision making was very slow, and whilst this was a result of its deliberative nature, it created problems around the expectations people had of JAG and the project generally. At the same time the process was costly. Indeed, the significant levels of active engagement with communities often meant that community members were reported as being exhausted by the process. The multi-layered decision-making process was also felt to be an overly complicated structure (JAG had a Steering Committee and a number of sub-committees).

Mexico

Mexico confronts wide-ranging and complex environmental problems. Deforestation and the destruction of habitat have brought severe soil erosion and rising salinity levels, and a loss in biodiversity. Industrial and agricultural pollutants, as well as untreated sewage, also continue to enter the waters around Mexico. At the same time, a growing and not insubstantial proportion of the people of Mexico face water shortages. Perhaps one of the greatest environmental challenges is that posed by Mexico City. Although the extreme pollution levels once seen are falling, it remains that there are long-term, negative health effects on the residents of Mexico City and surrounding areas to which the pollution spreads.

Green Vision: Diageo's environmental project in Mexico City. Diageo is an international company producing wines, beer and spirits, and has social responsibility programmes in the more than 180 countries in which it operates, including four in Latin America: Colombia, Venezuela, Brazil and Mexico. Diageo launched its urban renewal programme, "Green Vision", in Mexico City in

August 2007. The objective is to protect and create awareness about environmental needs, through the reforestation of one of the few green areas that has survived the urbanisation process of the megalopolis: Los Dinamos forest. According to Diageo, the programme reflects the company's commitment to the preservation of the environment and focuses on the revitalisation and reforestation of metropolitan areas. The capital of Mexico is one of the most polluted cities of the world. With a population of nearly 20 million people and more than 4 million private cars there is an average of 354 vehicles per kilometre of urban roads.

Los Dinamos forest, around 2 400 hectares in size, is one of the main "lungs" of Mexico City. Los Dinamos forest is a part of the wider conservation areas of Mexico City which comprise around 80 000 hectares and provide between 4% and 10% of the water consumed in the city. The Magdalena River flows through Los Dinamos and is the only living river in Mexico City. Over time the volume of water has fallen due to overexploitation and deforestation.

Los Dinamos forest belongs to 300 communal owners who live with their families in the community of Magdalena Atlitic. They democratically elect their community representatives to a Directing Board, which is responsible for making decisions about the community and its forest. The community's main source of income is tourism and other commercial activities in Los Dinamos, such as small restaurants, the letting of cottages, etc. Until recently there was significant focus on the commercial activities being undertaken in Los Dinamos with little attention paid to the most effective utilisation and preservation of the forest. As a consequence, infrastructure was allowed to deteriorate and the forest became an increasingly unsafe place where groups of young people met to consume alcohol and drugs. As Los Dinamos had been a place for family day trips its decline affected the community's income.

Diageo worked with BetaDiversidad, a private company which develops conservation projects, on the "Green Vision" project. They designed the project and are responsible for the management and operation of the programme. BetaDiversidad established contact with the community and convinced them that "Green Vision" was an initiative from a private company with a genuine interest to help them to preserve the environment to benefit not only the people from Magdalena Atlitic, but all the inhabitants of Mexico City. Following their initial reluctance, the Directing Board agreed to support the activities under the umbrella of the Green Vision project.

During the first stage of the programme, BetaDiversidad determined what types of trees were suitable to plant in Los Dinamos, in order to achieve better results and also chose the areas where the reforestation would start. Diageo, BetaDiversidad and the community planted thousands of trees in August 2007, installed signals and mapped out a green walkway. Diageo equipped

an office for the community's management needs and provided uniforms to its members. In the second phase, developed from June to September 2008 more trees were planted and two old cottages renovated for the community to serve as security check points. Diageo also organised the "Green Vision Council", which oversees and advises the programme, with personalities from the Mexican society who are committed with the environmental improvement.

The initial reluctance of the communal owners to support the project was an important barrier to be overcome. This reluctance was rooted in the mistrust and hostility which existed as a result of past experience where the communal owners had received promises of assistance, in exchange for political support, which had never materialised. At the same time, communal owners feared a potential change in ownership with federal or local government seeking to take over land ownership in order to allow urban development. Accompanying this, and something which the project itself recognised, was the need for a focus which extended beyond reforestation to take into account the local community. The commitment to provide training and support to the local community and to mix reforestation with activities which will help attract people to the forest, such as the green walkway, has been an important factor in the initial success of the project and in building the necessary trust for this to occur.

However, if the community capacity building element is to be taken further, there is a need for greater training to accompany the reforestation. Ecological preservation needs to be linked to training to community members on how take further advantage of the forest's natural resources in a sustainable way enabling a holistic approach which balances productive processes with environmental sustainability. Building effective networks of communities, NGOs, government agencies and other relevant actors, will be an important element in sustaining the initial success of the "Green Vision" project.

Evaluation frameworks

The case studies illustrate that the characteristics of projects that develop skills and competencies within communities to tackle environmental issues are in many ways very similar to those discussed in the chapter on community capacity building and social development. As noted, the emphasis is on how participation and empowerment are connected and what happens as a result of those connections. When these connections are effective they raise awareness, develop positions of power, foster skills that remain within the community, and influence how and what policies are made.

What makes environmental capacity building effective specifically is the social, economic and political framing of the importance of creating community resilience to protect their substantive right to a clean and healthy environment,

as well as a shared understanding of why specific environmental problems or issues need to be addressed. There also needs to be clarity about what the barriers are for a specific community to develop natural and built environments that are sustainable and resilient, as well as bringing social, economic and political benefits.

For example, a community tackling flooding is able to protect land and its homes. The skills and the networks developed to focus on the flooding raise other issues around the future of the community, such as providing economic reasons for the younger members of the community not to migrate to other cities, villages or countries. This translates to safeguarding community culture, developing greater access to education and developing partnerships with the private sector or building community-owned enterprises, all of which contribute to the creation of communities which are resilient in the face of environmental challenges (World Resource Institute, 2008).

The success of environmental capacity building illustrated in the case studies suggests the requirement for initiatives that:

- offer or support good governance;
- establish strong community partnerships or ownership;
- are specific to the needs of the different segments of the community;
- remove or tackle (direct or indirect) discriminatory practices or impacts by the community or external stakeholders, such as business or government;
- provide accessible information;
- offer financial, technical and human resources to address damage/concern;
- enforce environmental law, policies or agreements;
- create social, political and economic long-term benefits; and
- include intermediary support by government, community networks and/or agencies.

These factors can also be mapped against theoretical frameworks for environmental capacity building by Weidner (2002) and dimensions of community building and environmental health by Goodman (Goodman *et al.*, 1998). Weidner (2002) defined environmental capacity building as capacity that relates to how environmental problems are defined and solved, and how society develops its ability to identify and tackle that problem. He suggested that the ability of a community or society to do this can be illustrated through a "multi-factorial process". This process is defined by the situational context in relation to the actor, the strategy and the structure of the problem, specifically with the primary concern of developing environmental protection solutions.

The conditions that seemed to be met within the case studies were those expressed by Weidner (2002) as having a high capacity for environmental policy and management. These were:

- well-organised environmental players;
- well-established co-operative inter-organisational relations;
- comprehensive and accessible monitoring and reporting systems;
- a high degree of environmental awareness among policy makers, the general public and the mass media; and,
- an ability to interpret information in a politically strategic way.

However, it could be argued that the capacity for environmental management did not need to be at a state level but within the community and/or the intermediaries it worked with or had access to. In addition, these indicators should be seen as not necessarily the starting point for effective environmental capacity building but rather indicators of a successful environmental capacity building initiative.

Table 4.3. **Dimensions of environmental capacity building**

Dimension	Definition
1. Shared concerns	Shared understanding of the environmental issue or concern and a shared desire to develop a solution which offers community benefits.
2. Community identity	The extent to which the community has a shared sense of self and an understanding of its history and how these may inform the context of the environmental issue. Shared norms, morals or principles around environmental and social justice and natural resource management.
3. Participation	Extent to which the members are involved in relevant decision making and what control they have as to how the issue is addressed. Ability to participate, collectively and individually, in reflecting upon and analysing failed or successful processes or solutions.
4. Inclusion	Extent to which participants not part of the mainstream community are involved and the extent to which specific groups – for example, women, young people, minority groups or the poor – are able to influence and shape the solution.
5. Leadership	Extent to which policy makers, funders or sponsors are experienced and willing to address environmental issues and the social, economic and political connections.
6. Access to accessible information and rights	Ability to access information; and to adapt or exchange that information with the wider community. Level to which environmental laws are able to be enforced.
7. Skills and resources (financial, human and social)	Level of skills and interdisciplinary knowledge among the participants and the community actively engaged in addressing the environmental problem. Ability to outsource or gain skills from academics, policy makers and so on.
8. Political influence	Awareness of the political infrastructure at community level, and the ability to act and influence policy, media and decision-making structures within and outside (national and local) of the community.

As Minkler (Minkler *et al.*, 2006) note there a number of determinants that shape and influence capacity building within the environmental context. These determinants create complex dynamics when they interact with the variable characteristics of a community: demographics, physical and social environments, networks, population, government and the markets. Using the adaptation of the dimensions required of community and partnership capacities that are relevant to environmental health (Minkler *et al.*, 2006). Table 4.3 identifies the characteristics required for resilient environmental capacity building and the analytical process for defining its success. These behavioural manifestations and actions increase a community's power to successfully tackle environmental issues. This also supports the notion that the determinants for successful environmental capacity building can support a systems approach, whereby feedback loops lead to additional mobilisation, community action and problem solving.

Exploring the determinants of successful environmental capacity building

Shared concerns and understanding of a community history

The notion of what a community is, how it is defined and by whom, as well as who is perceived as belonging to it, as we have seen in relation to capacity building generally, is particularly important in setting the context for evaluating any type of capacity building. For socially and environmentally just capacity building the added context is the extent to which the environmental concern has an inequitable impact and the extent to which the focus of the solution is to remedy this. The US Community-Based Participatory Research (CBPR) Partnership noted that the "critical *raison d'etre*" for developing partnerships and networks was the immediate physical threat and disproportionate burden of pollution on low income, Black and minority groups. The inequality and the lack of mainstream political influence, the sense of wrong being done created a mandate for community capacity building. Equally the belief that there was a "community" solution that used and understood a community's history, skills, and expertise acted as a positive force for participation and the development of partnerships and networks was also important.

Community identity

Evaluating the success of an initiative depends on a number of variables within the community and to what extent and how a group of people can define themselves as a community. Now, what defines a community can be complex. Confusion around the term can also be reflected in the community itself and within external stakeholders. In a number of the case studies, a

group can be defined as a community because of its shared concern for an environmental issue or problem.

Participation and inclusion

The partnership in Transylvania recruited residents in local villages affected by the flooding – albeit with an initially low presence of women. Coastal Futures in the UK concentrated on residents who may be at risk of losing land to flooding and the process of realignment, but without a specific focus on reaching out to vulnerable sections within those affected communities. However, the inclusion of vulnerable or excluded people or groups was sometimes problematic. The importance of including women, young people, the poor or minority groups should not be ignored, and indeed, it may be necessary to have multiple approaches to capacity building for different groups within communities if it is to be a genuinely inclusive process. Building trust is a key way of fostering participation, as the example from Mexico highlights.

Leadership and political influence

The ability of projects and individuals to play a leadership role seems to be key to their ability to gain political influence. In the case of WasteBusters the organisation was recognised as a leader in the work they were doing. Their local embeddedness and awareness of the political infrastructure at community level was crucial to the ability of WasteBusters to act and influence policy and decision-making structures within and outside. The importance of individuals should also be acknowledged. Monica Morgan both initiated the project to increase the involvement of indigenous Australians in natural resource management and played a crucial role in driving it forward. Her position on the VCMC meant that she was in a position to understand and influence the structures which were in operation and therefore to enhance the contribution which indigenous Australians could make to natural resource management. This was not enough, however, for there to be significant concern at the way in which indigenous Australians had not been involved from the start of the process.

Access to information and rights

Access to environmental information was key to all the case studies. The provision of accessible information – maps, scientific data and policy overviews – was crucial to help communities to make informed environmental decisions.

Skills and resources

The ability to gain resources – financial and human – within a community and from supporting non-governmental organisations, funders or government was crucial to the projects' ability to maintain momentum. In the case of the

Partnership in Transylvania, the Pentecostal Church's funding and information was instrumental to the community's ability to mobilise not only around the problem of flooding but also in embedding fundraising skills with community members who were then able to raise funds for spin-off projects.

Implications and policy recommendations

Whilst there are limitations to the case studies, it is clear that from the diversity of experiences discussed in this chapter, that implications for governments, funders, and non-governmental organisations involved in environmental community capacity building can be identified.

The positive message is that in a number of cases the role of *government* or government agencies could provide valuable resources. Many of the initiatives were funded by partnerships which included government partners. Not only did government provide crucial funding, government employees were also able to offer policy mentors or windows to communicate perspectives between government and the community they partnered with.

However, to support community capacity building which tackles environmental inequality effectively, government policy makers will need to shift towards supporting capacity building on environmental issues that have both social and environmental equity as a central theme.

Governments also need to have clear understanding of the impact of environmental inequalities on vulnerable communities and work with those communities to define appropriate indicators for tackling these inequalities. Such indicators could also help with the evaluation process of capacity building projects they support. Governments should therefore:

- support and resource community capacity building initiatives when they are framed by environmental and social justice principles;
- support schemes where policy makers are able to provide skills to communities and operate as objective "policy mentors" to communities if requested by community groups;
- ensure that state capacity building initiatives are designed in collaboration with communities and that communities are involved from the very start of those collaborations; and,
- advance policies and legislation which support access to environmental information, participation, decision making and justice.

Funders which support community capacity building need also to gain a clear understanding of the potential negative burden and disproportionate impact environmental inequalities can have on poor, minority or vulnerable groups. Strategic approaches and action plans which take these into account

should be designed after robust, transparent, and equitable dialogue with the communities they aim to support. They therefore should:

- provide resources that underpin integrated capacity building approaches which improve the environment and provide social and economic benefits;
- only provide funding to community capacity building projects where the initiatives have clearly shown how they will include and support beneficiaries from vulnerable communities.

Finally, non-governmental organisations, community groups and civil society organisations provide a major gateway for community action and are often trusted and have built up relationships of trust. NGOs, however, like funders and governments, need to have a clear understanding of the impact of environmental inequalities on the communities they work with.

- NGOs must therefore ensure that they are working with vulnerable groups or communities; and,
- should develop a greater voice for tackling the potential disproportionate impacts of a degraded environment within capacity building initiatives.

Bibliography

Adebowale, M. (2002), *Access to Environmental Justice: Tackling Human Vulnerability and Environmental Management*, id21 Research Highlight, 2 October, *www.id21.org/id21ext/insights43art8.html*.

Australian State of the Environment Committee (2006), *Australia State of the Environment 2006*, Independent Report to the Australian Government Minister for the Environment and Heritage, *www.environment.gov.au/soe/2006/publications/report/pubs/soe-2006-report.pdf*.

Bruntland, G. (ed.) (1987), *Our Common Future: The World Commission on Environment and Development*, Oxford University Press, Oxford.

Bullard, R.D., *et al.* (2007), *Toxic Wastes and Race at Twenty: 1987-2007*, Report prepared for the United Church of Christ, Justice and Witness Ministries, United Church of Christ, March, *www.ejrc.cau.edu/TWART-light.pdf*.

DFID (Department for International Development) (2002), *Poverty and Environment*, *www.dfid.gov.uk/Pubs/files/povertyandenvironment.pdf*.

Downing, M. and M. Hudson (2001), *Community Capacity Building*, paper presented at the WM'01 Conference, 25 February – 1 March, Tucson, Arizona.

EEA (European Environment Agency) (2007), *Europe's Environment – The Fourth Assessment*, *http://reports.eea.europa.eu/state_of_environment_report_2007_1/en*.

Ford, R. *et al.*, (2006), *Rebuilding after the Nyikó Valley Flood. Participatory Tools for Community Rehabilitation in Transylvania,* Report for the Unitarian Universalist Partner Church Council, *www.uupcc.org/communitydev/NyikoValley/NyikoValleyReport.pdf*.

Freudenberg, N. (2004), "Community Capacity for Environmental Health Promotion: Determinants and Implication for Practice", *Health Education and Behaviour*, Vol. 31, No. 4, pp. 472-490.

Gibbon, M., *et al.* (2002), "Evaluating Community Capacity", *Health and Social Care in the Community*, Vol. 10, No. 6, pp. 485-491.

Goodman, R. M., *et al.* (1998), "Identifying and Defining the Dimensions of Community Capacity to Provide a Basis for Measurement", *Health Education and Behavior*, Vol. 25, No. 3, pp. 258-278.

Government of Canada (2007), "Canadian Environmental Sustainability Indicators Report 2007", *www.environmentandresources.gc.ca/2102636F-9078-409F-8133-8775E51400BE/featureweb_e.pdf*.

Knight, J. (2007), *A Best Practice Waste Minimisation Council Contract with a Community Group, Case Study Ashburton, www.zerowaste.nz*.

McGinty, S. (2002), *Community Capacity Building,* paper presented at the Australian Association for Research in Education Conference, 1-5 December, Brisbane, Queensland, Australia, *www.aare.edu.au/02pap/mcg02476.htm*.

McLaren, D. (2003), "Environmental Space, Equity and the Ecological Debt" in J. Agyeman, R. D. Bullard and B. Evans (eds.), *Just Sustainabilities: Development in an Unequal World*, Earthscan, London, pp. 19-37.

Ministry for the Environment (2007), *Environment New Zealand 2007 – Summary*, *www.mfe.govt.nz/publications/ser/enz07-summary-dec07/enz07-summary-dec-07.pdf*.

Minkler, M., *et al.* (2006), "Promoting Environmental Justice through Community-Based Participatory Research: The Role of Community and Partnership Capacity", *Health Education and Behaviour*, Vol. 35, No. 1, pp. 119-137.

Ocean Studies Board (2008), *Increasing Capacity for Stewardship of Oceans and Coasts: A Priority for the 21st Century*, the National Academics Press, Washington.

Ohiorhenuan, J.F.E. and S. M. Wunker (1995), *Capacity Building Requirements for Global Environmental Protection*, Working Paper Number 12, Global Environment Facility 2, *www-wds.worldbank.org/external/default/WDSContentServer/WDSP/IB/1995/06/01/000009265_3961029215848/Rendered/PDF/multi_page.pdf*.

Palen, H.R.J., *et al.* (2004), *Community-Based Processes in the Context of Contaminated Sites: Lessons from the Joint Action Group for Environmental Clean-Up of the Muggah Creek Watershed*, paper submitted to Environment Canada, 20 October, *www.ceaa.gc.ca/050/documents_staticpost/cearref_8989/MISC-083.pdf*.

Smyth, D., S. Szabo, and M. George (2004), *Case Studies in Indigenous Engagement in Natural Resource Management in Australia*, prepared for the Australian Government Department of Environment and Heritage, *www.nrm.gov.au/publications/case-studies/indigenous-engagement.html*.

US Environmental Protection Agency (2008), *EPA's Report on the Environment – Highlights of National Trends*, *http://cfpub.epa.gov/ncea/cfm/recordisplay.cfm?deid=190806*.

UN (2002), *Plan of Implementation of the World Summit on Sustainable Development*, *www.un.org/esa/sustdev/documents/WSSD_POI_PD/English/WSSD_PlanImpl.pdf*.

UN-CSD (Commission on Sustainable Development) (1996), *Capacity-Building for Sustainable Development – Report of the Secretary General*, Fourth session 18 April – 3 May, *www.un.org/esa/documents/ecosoc/cn17/1996/ecn171996-15.htm*.

UNCED (United Nations Conference on Environment and Development) (1992), "National Mechanisms and International Cooperation for Capacity-Building in Developing Countries" in Agenda 21, *www.un.org/esa/sustdev/documents/agenda21/english/agenda21toc.htm*.

UNDP (United Nations Development Programme) Sustainable Energy and Environment Division (n.d.), "Capacity Building for Sustainable Management of Water Resources", at *http://ruisseau.oieau.fr/ciedd/contributions/at2/contribution/lenton.htm*.

UUPCC (Unitarian Universalist Partner Church Council) (2006), "Community Capacity Building. Enabling Communities to Become the Architects and Managers of their Own Development and Poverty Alleviation", *www.uupcc.org/communitydev/CCB.pdf*.

Weidner, H. (2002), "Capacity Building for Ecological Modernization", *American Behavioral Scientist*, Vol. 45, No. 9, pp. 1394-1416.

WRI (World Resources Institute) (2005), *The Wealth of the Poor: Managing Ecosystems to Fight Poverty*, *www.wri.org/publication/world-resources-2005-wealth-poor-managing-ecosystems-fight-poverty*.

WRI (2008), *A Guide to World Resources 2008: Roots of Resilience*, *www.wri.org/publication/world-resources-2008-roots-of-resilience*.

Glossary

Community: Historically, this has been taken to mean a defined geographical area but now is recognised as concerning also either communities of interest (*e.g.* parents campaigning to slow traffic) or communities of identity (*e.g.* gay and lesbian people). These communities may overlap in practice.

Community Capacity Building: A process of enabling those living in poverty to develop skills and competencies, knowledge, structures, and strengths, so as to become more strongly involved in community as well as wider societal life, and to take greater control of their own lives and that of their communities.

Community Development: A defined practice aimed at helping communities express their needs and meet them through organisation; the practice has a knowledge and skills base and is informed by a clear set of values.

Co-operatives: Commercially based mutual organisations where producers and suppliers group their resources, expertise and purchasing power together so as to derive the most advantageous commercial returns for member individuals and organisations. Co-operatives exist in both profit and non-profit settings but both share the aims of maximising the overall value of their members' efforts and resources.

Credit Unions: Mutual (and typically local) financial organisations owned and operated by contributing members. They rely on peer responsibilities and motivations (as well as local knowledge and networks) to award loans and investments to member individuals and local businesses within a given locality.

Environmental Justice: A narrative of equality and justice which refers to the equitable share of the environment (built and natural) of all humans, and recognises the inequitable impact of environmental ills, such as pollution, on predominately vulnerable groups or communities such as the poor, minority groups and indigenous peoples.

Franchise: Business agreement where an entrepreneur "rents" a brand together with information and support on production and service methods. A huge range of world famous brands such as McDonalds, Subway and Holiday Inn are made up of franchised business arrangements consisting of partnerships between international organisations and local business entrepreneurs.

Local Exchange Trading Schemes (LETS): Schemes where new or alternative currencies are developed that encourage local producers or experts to trade their produce or expertise with others in a locality through bartering and trading with the currency. Often the currencies are named after the local areas in which they operate such as the Greenwich Anchor based in Greenwich (London, UK).

Participation: A much (mis-)used term used to describe involvement of "users" or "communities" in policy or service development. Levels of participation may vary from very low, tokenistic involvement with little effective impact through to exercising substantial control over policy or service development.

Reinvestment Trusts: Financial vehicles raising income based on investment in specific (usually deprived) areas. Investment may come from local businesses, people or organisations (such as local government) or from external investors such as national government, banks, pension funds and charitable foundations.

Social Development: A term which covers the meeting of social needs by government, private or Third Sector organisations or, the case of development aid, by donors external to a specific country, particularly in the areas of housing, health, education, infrastructure and poverty and income maintenance. Unlike community development, social development does not necessarily require the involvement of local communities in its planning and execution.

Social Economy: It encompasses various types of organisations, such as associations, co-operatives (including social co-operatives), mutual organisations and, more recently, foundations. Social enterprises also belong to the social economy sector. The term is sometimes used also with reference to the non-profit sector, even if the latter does not include co-operatives.

Social Enterprise: Various definitions exist, based on the legal or organisational form or on the objectives of the social enterprise. The definitions vary according to the geographical and cultural contexts. Social enterprises are businesses which are organised with an entrepreneurial strategy and whose main purpose is the attainment of economic and social goals, in order to met unsatisfied needs. They can bring innovative solutions to the problem of social exclusion and are an agent of balanced economic growth; they operate in many sectors, but focus mainly on reintegrating people who are socially excluded and delivering welfare services.

Social Housing: Housing provided by a range of agencies on the basis of defined need (*e.g.* low income, disability) rather than to make profits.

Sustainable Development: Development which recognises that meeting contemporary needs should not be at the expense of those of future generations. It also incorporates wider social and economic justice components and the recognition that there is a need for development which balances environmental, economic and social benefits.

Time Banks: A trading arrangement between individuals and organisations offering time and skills in exchange for others' time and skills. Time banks themselves are the process whereby information on participants and their contributions and "expenditure" are mediated and recorded. Time banks are a form of LET (see above) where the currency is sometime described as time dollars or pounds.

User involvement: All welfare services are directed towards specified groups of users. In some instances, users are encouraged, by a variety of means to become involved in discussions about service policy and planning. Some of the means by which user involvement may be encouraged are regarded as tokenistic in offering users a very marginal role in expressing their views or influencing policy.

OECD PUBLISHING, 2, rue André-Pascal, 75775 PARIS CEDEX 16
PRINTED IN FRANCE
(84 2009 09 1 P) ISBN 978-92-64-07329-6 – No. 57011 2009

Community Capacity Building

CREATING A BETTER FUTURE TOGETHER

Community capacity building (CCB) is a fairly new term for an age-old good: enabling people to define their own destinies. This book presents and analyses some of the most interesting recent developments in the field of community capacity building, in a variety of OECD and non-OECD countries. The focus is on how CCB has effected change in three major areas: social policy (health, housing, community regeneration); local economic policy; and environmental policy. The book also outlines the common conditions required for CCB to take hold and thrive, allowing for the political voice of local communities to be clearly heard.

Related reading

The Changing Boundaries of Social Enterprises (2009)
Designing Local Skills Strategies (2009)
The Social Economy: Building Inclusive Economies (2007)

The full text of this book is available on line via this link:
www.sourceoecd.org/regionaldevelopment/9789264073296

Those with access to all OECD books on line should use this link:
www.sourceoecd.org/9789264073296

SourceOECD is the OECD online library of books, periodicals and statistical databases.
For more information about this award-winning service and free trials, ask your librarian, or write to us at **SourceOECD@oecd.org**.

LEED
BUILDING MORE AND BETTER JOBS
POUR PLUS D'EMPLOIS DE QUALITÉ

OECD*publishing*
www.oecd.org/publishing

ISBN 978-92-64-07329-6
84 2009 09 1 P

