

CHAPTER NINE

External Political Linkages

A viable Community Economic Development strategy cannot focus solely on individual neighborhoods. We must look outside low-income communities for additional resources to carry out the development work and organizing needed to make a significant impact. In addition, external economic and political forces profoundly affect low-income communities; thus, a CED strategy must recognize the need for broad social change, especially in public policy.

Low-income Asian communities must develop linkages with local government agencies, elected officials and private foundations. Influencing these institutions depends on organizing and empowering disenfranchised residents and forming organizations which can advocate for their needs, along the lines discussed in the previous chapter. This chapter discusses the next step, the process of building strategic linkages beyond the neighborhood. This includes electoral work and developing ties with government agencies involved in economic development. It also involves coalitions and alliances with other ethnic communities to develop collective power. However, building inter-ethnic alliances is more than just a strategy for political empowerment. It is a responsibility Asians have living in a diverse and multicultural society.

The final section of this chapter discusses the political content of these linkages. We present a range of policy issues that cannot be addressed at the community level alone and that require government intervention. These issues also provide a foundation for building coalitions with other ethnic communities. Developing linkages is an important part of any CED strategy. As discussed in the first part of this book, corporate policy and global economic restructuring have drastically transformed the local economy, severely limiting economic opportunities in Los Angeles. The flight of heavy manufacturing facilities (automobile, durable goods) to the Third World has meant the loss of hundreds of thousands of high-quality and high-paying jobs. They have been replaced by jobs in the garment, light manufacturing

and service industries, where wages are low, working conditions are poor and the mostly immigrant workers are not unionized. Within this low-wage sector, Asian immigrants compete for jobs with Latinos, with African Americans often locked out all together.

Compounding these problems is the flight of local capital from the inner city, leaving a vacuum in retail and commercial services and jobs for area residents. Much of this vacuum has been filled by immigrant entrepreneurs, including many Koreans and other Asians. However, Latino and African American residents, frustrated by limited economic opportunities and government neglect, often see the presence of these small businesses as symbols of their inability to control development within their community. This, along with cultural and language barriers, has led to the explosive race relations facing this city.

This is the sobering context confronting CED efforts in Asian communities. However, by incorporating external political linkages in CED work, residents can change economic conditions, shift the priorities of local government and unite diverse communities. They can also shape city-wide economic development policy and participate in the "rebuilding" of Los Angeles.

Building Linkages to Formal Political Institutions

Political empowerment requires a range of strategies, including the traditional approach of electoral politics. However, these strategies should include non-electoral efforts if they are to be effective. Such efforts are particularly relevant for low-income Asian communities since they are comprised primarily of immigrant populations with limited electoral participation and few resources.

One political empowerment strategy that has attracted much attention is the effort to increase the number of Asian elected officials. Asians are underrepresented at all levels of government, even though they comprise 11 percent of Los Angeles County's population. When more than 2,000 Korean-owned businesses were damaged or destroyed during the civil unrest of April 1992, merchants received little assistance from government agencies. Many Asian Americans attributed this lack of government response to the small numbers of Asian elected officials.

Redistricting is one way to increase the possibility for Asians to get elected, but more importantly, it can improve the impact that Asian voters can have on local elections. In Los Angeles, recent redistricting efforts were led by the Coalition of Asian Pacific Americans for Fair

Reapportionment (CAPAFR), consisting of community organizations, legislative staff persons, academics, nonprofit agencies and civil rights advocates. Members of the coalition testified at redistricting hearings at all levels of government and lobbied extensively to maintain the integrity of Asian communities throughout the county. Its greatest success was in the west San Gabriel Valley, where the Asian population was previously divided into three state assembly districts. The new redistricting plan combines the cities of Monterey Park, Alhambra, San Gabriel and Rosemead into one state assembly district where Asians made up 28 percent of the population, the highest proportion in the state (Kwoh, 1993).

However, efforts to keep the Koreatown/Filipinotown (Westlake) communities in one city council district were not successful. Likewise, even where the integrity of some Asian communities was maintained, the resulting districts still did not have a majority of Asian voters. This was not due to weaknesses in the strategy of the CAPAFR, but because of the dispersal of the Asian population throughout the county. The results of SALIC also show the effects of this dispersal (see Table 1).

TABLE 1: Ethnic Composition by Community:

	<u>Asian</u>	<u>Latino</u>	<u>Black</u>	<u>White</u>
Chinatown/Echo Park	33%	53%	5%	9%
Koreatown/Westlake	32%	46%	7%	13%
Long Beach	19%	34%	20%	26%

Source: SALIC, 1993

Given the demographic realities, efforts to gain political power cannot rely solely on electoral strategies. Asians must also build coalitions and alliances with the other ethnic and minority communities. Despite losing to Richard Riordan, Mike Woo's 1993 mayoral campaign was highly successful in appealing to other ethnic communities on the issues of police reform, economic development, crime and civil rights. His endorsements outside the Asian community included the Mexican American Political Association (MAPA), County Supervisor Gloria Molina and prominent African American leaders such as Councilman Mark Ridley-Thomas.

Asians must also work to increase their influence within political parties. Some communities have party organizations, such as the Pilipino American Los Angeles Democrats (PALAD). These organizations register voters, hold candidate forums, conduct voter education and attempt to project Asian perspectives into their party's agendas. However, most of this work is only conducted during elections, rather than an on going basis. Political action committees (PACS) should be developed as yet another vehicle to impact electoral politics, but because of limited resources, they are not of significant relevance to low income Asians.

In addition, Asian communities must focus on reforming the electoral process itself. In some public school districts across the country, parents of students in those schools are allowed to vote in school board elections, whether or not they are citizens. Similar efforts are needed in Los Angeles so that low income Asians and other immigrants can have a greater voice in local governance. Additionally, more attention needs to be placed on improving the process of gaining U.S. citizenship, since this is the first step toward electoral participation.

However, the election of Asian officials does not guarantee accountability. Many members of the Japanese American community were dismayed when former U.S. Senator S. I. Hayakawa actually spoke out against reparations for those who were interned during World War II. Nor does getting Asian faces into office guarantee results, particularly at a time when government must deal with massive budget cuts. In the last 20 years African Americans have been largely successful in winning the mayorships of major cities across the country. But this phenomena has coincided with corporate disinvestment, capital flight, reduced federal aid and jobs leaving the inner cities. As a result, mayors face greater needs for "social programs within the constraints of the cities' diminishing resource base" (Clavel and Wiewel, 1991, p. 5) and have been severely limited in their ability to improve conditions for their inner-city constituencies.

Thus, Asian support should be given to those who display genuine concern for the community's issues, regardless of the candidate's ethnicity. For low-income Asians, these issues include poverty, low wage employment and substandard housing. But it should be understood that getting individual candidates elected cannot in itself bring about social change, or even just better responsiveness from government.

Nor should empowerment be seen as possible only through the electoral process. Non-electoral strategies can be almost as significant. These strategies include developing ties with the staff persons of

elected officials, local government agencies and private foundations. They include advocating for more Asian staff members in strategic and decision-making position. These linkages can ensure that Asian community organizations receive Requests for Proposals (RFPs) and Notifications of Fund Available (NOFAs) from government agencies, gain adequate attention for program needs and be kept abreast of policy and procedural issues.

In Los Angeles' complex network of economic development players, key government agencies are the City's Community Redevelopment Agency (CRA), Community Development Department (CDD), Housing Preservation and Production Department (HPPD) and Housing Authority and the County's Community Development Commission (CDC) and Economic Development Corporation. The mayor has his own economic development staff as well. Local offices of federal departments include the federal Economic Development Administration (a division of the Department of Commerce) and the Department of Housing and Urban Development (HUD). Finally, another key player is the recently formed Metropolitan Transit Authority (MTA). Besides handling the operations and development of the region's bus and rail systems, the MTA will have a significant impact on affordable housing development, job creation and training and other development-related activities. Building a relationship with MTA staff should be a high priority for Asian communities.

Private foundations and organizations should receive equal attention. Many foundations already support CED work, although only a few Asian organizations benefit from this support. A key player in Los Angeles' non-profit development community is the Local Initiative Support Corporation (LISC), which has limited involvement with Asian communities. Some foundations, such as the Irvine and Liberty Hill Foundations, are fairly sensitive to the needs of Asians, but in general most foundations need to be better educated about community needs. Of course, it is not the sole responsibility of the Asian community to educate these foundations and government agencies. These institutions need to take it upon themselves to do outreach and serve a broader constituency.

Economic Development Policy

Within the Asian community in Los Angeles, too little attention has been given to advocacy on economic issues of concern to low income Asians. Some organizations which make advocacy a conscious

part of their efforts include Asian Pacific Americans for a New LA (APANLA), National Coalition for Redress and Reparations (NCRR), Japanese American Citizens League (JACL), Korean American Coalition (KAC) and the Asian Pacific American Legal Center (APALC). However, because of the community-wide nature of the issues they address, these and other organizations do not focus on the specific economic needs of low income people. Historically, advocacy-oriented groups have taken up broad issues such as civil rights and racial discrimination, anti-Asian hate crimes, the glass ceiling, immigration and other issues that cut across class lines.

Some human service agencies that serve low-income clients attempt to do advocacy around specific programs and policies, but most agencies acknowledge that the need for advocacy work far outstrips what they are able to do (Ching, 1993). A positive development is the creation of the first national Asian Pacific American Public Policy Institute by the UCLA Asian American Studies Center and Leadership Education for Asian Pacifics (LEAP). One challenge facing this institute will be to take on research on issues vital to the lives of low-income Asians.

Of course, influencing economic policy is difficult for all minority communities, particularly in the absence of any comprehensive or coherent economic development strategy. One recent strategy was initiated in response to the civil unrest in the Spring of 1992, when then Mayor Tom Bradley, with the encouragement of Governor Pete Wilson, established Rebuild LA (RLA), a private, nonprofit organization charged with coordinating comprehensive economic revitalization efforts for the city and the region. A governing board of over 80 persons was appointed to oversee the work of the organization. Besides setting the creation of 60,000 jobs as its primary objective, RLA encourages corporate investment into riot-impacted neighborhoods through an aggressive recruitment campaign, streamlining permit procedures and better coordinating the work of various city agencies.

Regardless of one's analysis of RLA's strategy, which has since shifted to small business assistance, it will continue to play a prominent role in the formation of economic development policy in Los Angeles. However, it is difficult for low-income Asian communities to have a significant impact on an institution that is not a public agency and exists outside the electoral arena. RLA is primarily accountable to its board, which includes nine Asian Americans. In the Asian community, the primary group with access to these board members is APANLA, a coalition of various community organizations and individuals which came together shortly after the creation of RLA. The Asian board

members of RLA sit on APANLA's steering committee, formalizing a relationship between the two organizations.

Active members of APANLA are primarily political aides, staff of various government agencies, business persons and other professionals. APANLA's "Rebuild LA" agenda has been effective in bringing attention to the legitimate needs Asian merchants who lost their businesses during the civil unrest. However, more efforts are needed to better involve low-income families, workers and other disadvantaged Asians and to take up their issues.

Asians and other communities have a right to a voice in the formation of economic development policy in LA and the region. However, the fragmentation of city and county agencies involved with economic development (CRA, CDD, HPPD, CDC, etc.) and the existence of institutions like RLA severely limit this voice. What low-income Asians would most benefit from is a local government agency or office with the authority to coordinate the overall city's (or county's) economic development. This agency could also act as a mechanism to involve traditionally disenfranchised communities.

Under Harold Washington, the City of Chicago conducted innovative programs that made the economic development process accessible to local communities. Among these was the Neighborhood Development Program (NDP), which was operated by the city's Department of Economic Development. The NDP demonstrated "that development services could be effectively delivered through community-based organizations" (Clavel and Wiewel, 1991, p. 83). The intent of such programs is to create a process that gives disenfranchised communities input on city-wide policy. Thus, these programs differ from neighborhood development councils or similar bodies which simply encourage "NIMBY" (not in my backyard) attitudes.

Building Linkages with Other Communities

As stated earlier, Asian communities by themselves lack the power to have direct impact on electoral politics and economic development policy. They need the support of other communities. However, conflict between the Asian community and other communities of color in LA has become increasingly prevalent, as economic opportunities decline and each community competes for scarce resources. For these reasons, building alliances and coalitions should be a priority for those working for the general empowerment and economic development of Asian communities. Moreover, participation in these alliances is a

responsibility Asians have as members of an increasingly diverse and multiethnic society.

Even before the 1992 civil unrest, a variety of groups in LA attempted to deal with ethnic conflict. One such group was the Black/Korean Alliance (BKA), which was incorporated in 1987 with assistance from the Los Angeles County Human Relations Commission. The BKA attempted to deal with tensions between Korean merchants operating in South Central Los Angeles and African American residents. It established three committees: 1) a community education and cultural exchange committee, 2) an economic development committee, and 3) a religious leadership committee. These committees attempted to bring merchants and residents together and create a working dialogue between these communities.

While the alliance was successful in holding charitable events and establishing a scholarship fund, it was ill-equipped to deal with massive problems such as the continued deterioration of neighborhoods and schools in South Central and the lack of jobs and opportunities for its residents. However, while recognizing that the lack of economic opportunities were at the root of much of the conflict, BKA members were never united on a platform to bring economic development to South Central. Instead, the economic development committee focused on creating partnerships and joint ventures between Korean and African American business owners. Due to its limitations, the BKA disbanded on November 17, 1992.

Other attempts to improve race relations in Los Angeles include various conflict resolution efforts, inter-ethnic relations education, cultural exchanges and even such things as a Black/Korean golf tournament. While all of these efforts play a role, we believe that race relations work should focus on economic impacts and actively involve low income people. One characteristic that Asian, Latino and African American communities all have in common is that significant segments of their populations live in poverty, are unemployed or are stuck in low-wage work. This provides a basis for building better relations among communities and uniting them around a common agenda for economic justice and opportunity.

While such work is very difficult, there are some efforts in Los Angeles which can serve as models. One such effort has been led by former City Councilman Mike Woo and various ethnic banks and nonprofit organizations. This group has created a pool of money for loans to minority businesses in the inner city. Another effort is the New Majority Task Force, which has attempted to unite LA's ethnic communities on an economic development platform. Convened by

Asian, Latino and African American community leaders, the organization held a conference in November of 1989 entitled "Economic Development: The New Majority in Los Angeles." A statement from the conference proceedings summarizes the principles unifying the organization:

At the heart of the "New Majority" concept is the assumption that members of Los Angeles' various ethnic communities share one key commonality: unequal access to resources and low economic opportunities and achievements in our neighborhoods.

The New Majority's recommendations include 1) redefining economic development to include neighborhood revitalization, community involvement and human resource and job development, 2) utilizing linkages as a strategy to spread development and growth throughout the city (such as requiring commercial developers to contribute to an affordable housing fund), and 3) continuing to strengthen and deepen the new majority coalition (Pastor et al, 1990, pp. 1-4). While the work of the New Majority has had limited impact, it provides the contextual foundation for building long-term relationships between Los Angeles' ethnic communities. Its efforts to organize a grassroots economic development summit in early 1994 shows much promise and may help to fill the current void in community-based economic development leadership and advocacy.

The missing element in most coalition work in Los Angeles is a community education and organizing component, especially one which targets and involves low income populations. Coalitions between communities may exist among leaders, professionals and business persons, but they often lack the involvement of more disadvantaged sectors.

In Los Angeles' labor community, an example of positive efforts to empower these sectors is the work of the Korean Immigrant Workers Advocates (KIWA), which is organizing Korean workers, supporting labor struggles among of unions that are predominantly Latino and African American, and taking up issues that affect workers of all races. Similar efforts are needed if effective coalitions are to be formed. However, low-income communities also have few resources to carry out this work. Thus, it is incumbent upon the business and professional sectors of the Asian community to play a larger role in helping the disadvantaged sectors, including providing resources. Even these more advantaged sectors can reap economic benefits when low

income groups are better organized and the community as a whole has better jobs and housing.

A Strategic Approach to Community Advocacy

While linkages create better access to elected officials, government agencies and other institutions, they are of little use without solid policy positions. Linkages must be built on long-term principles, rather than on patronage or "inside" connections. Having clear advocacy positions on economic development policy can help facilitate this process.

While community advocacy must strive for public policy to be more inclusive of Asians, it should also promote recognition of what the community can contribute to the overall society. Asians suffer from the "model minority" stereotype and are often excluded by policy-makers, resulting in the neglect of community needs. But Asians also have much to contribute, including a vibrant ethnic economy, strong community institutions and other resources. They must be part of the development of inner cities, since many of their policy issues are shared with other communities. All of these considerations need to be brought to the table. With this approach, Asians are better positioned to have an impact on policy-makers. They can also work with other communities to expand resources for everyone, rather than fighting for a slice of a shrinking economic pie.

With this approach in mind, the remainder of this section provides a policy framework for the CED component areas of employment, small business development, housing and institution/capacity building. Additionally, it discusses broader policies needed to reinvigorate the regional and national economies.

In employment, the barriers facing disadvantaged Asians include a lack of skills and English ability, severely limiting their access to better paying jobs. These are the main reason that so many Asians are locked in poverty. In addition, most working Asians are concentrated in industries without unions. In the past twelve years, state and federal policy has organized labor and workers' struggles. This is especially alarming in light of the proliferation of low wage jobs and unregulated industries in Los Angeles. Finally, the local and national economy currently shows no signs of generating high paying and quality jobs unless there is significant public intervention. Thus, advocacy in employment should call on policy-makers to recognize:

- 1) the need for more English instruction and job training programs that target and are sensitive to the needs of low income Asians;
- 2) that government must play a more active role in regulating the work environment, ensuring fair wages and benefits and supporting the right of workers to unionize;
- 3) that government must play a more active role in economic development policy, with an emphasis on the creation of quality and high wage jobs accessible to low income Asians and other disadvantaged communities.

Federal policies define small businesses as those with fewer than 500 employees and most programs focus on providing capital for business start-ups and expansion. These programs do not recognize the fact that many Asian and other ethnic businesses are very small and usually have fewer than four employees. These "mom & pop" enterprises are only marginally profitable, often rely on family labor and "sweat equity" (long work hours under difficult conditions) and cannot provide good wages or decent benefits. They are often concentrated in the same retail and service industries and compete against each other. Finally, they are sometimes in conflict with the needs of area residents, as illustrated by the high concentration of Asian-owned liquor stores in South Central Los Angeles. These small businesses need policies and programs which:

- 1) provide technical assistance to improve long term viability, including diversification and conversion to other types of businesses;
- 2) provide assistance in creating quality employment and decent wages and benefits, particularly health insurance for their employees;
- 3) provide assistance in understanding how to do business in highly impoverished and ethnically diverse communities.

Like many low-income communities, disadvantaged Asians face many barriers to finding quality and affordable housing. Overcrowding and high rent are prevalent, with two, or even three, families often sharing one household. Advocacy efforts in housing should focus on:

- 1) increasing the stock of affordable housing, as well as developing housing which meets the needs of large families;
- 2) making housing an entitlement and finding more effective ways to ensure its development, such as direct government subsidies rather than tax credits and other market incentives;
- 3) changing affordability standards to better reflect the real costs of housing and non-shelter requirements, particularly in LA where the cost of real estate and transportation are so high.

To improve the capacity of Asian communities to control and conduct their own development, policy-makers and funders must recognize the scope and depth of need in low income Asian communities and better include this sector in economic development funding, training opportunities, strategy/policy development and institution building opportunities. Specifically, Asians must advocate for:

- 1) more emphasis on funding for nonprofit CED work, particularly for fledgling Asian CDCs, as well as greater funding for planning, advocacy and organizing efforts in low income communities;
- 2) a greater role by those in higher education to help provide training and education for community development research, and to target minority students for such programs;
- 3) the creation of local structures (such as the Project Area Committees used in redevelopment) to allow for community-based planning, with the election, not appointment of those in decision-making positions, and that these structures involve low income residents and receive adequate funding to facilitate community involvement.

Finally, the effectiveness of Community Economic Development hinges on the state of the regional and national economies. When there is growth, low unemployment and prosperity, community-based groups will have a better chance of achieving their goals. Of course, a robust economy in itself does not guarantee the well-being of poor

people. "Trickle down" is problematic, and we have seen that, over time, economic growth has had little to offer the poor. However, a robust economy is an absolutely necessary and fundamental condition for the generation of economic and social wealth. While we believe that unrestrained market activities are partly responsible for marginalizing minority communities, this book does not advocate a simple "supply-side" or "interventionist" approach to stimulating economic growth. The market creates conditions for economic growth and vibrancy, but interventionist strategies are just as necessary to ensure that both economic prosperity and social costs are equitably distributed.

Thus, to create an economic climate favorable to CED, we support broader policies designed to reinvigorate the regional and national economies. There are currently several policy areas that can help foster economic growth including; 1) converting defense industries, 2) reforming government regulation, 3) improving U.S. competitiveness in a global economy and 4) encouraging investment in low-income and minority communities.

In the area of defense conversion, we believe that a more coherent policy is needed. In California, there has been an absence of political leadership to deal with the impact of the cuts in federal spending. Other states, such as North Carolina and Texas, have demonstrated that strategic planning, while not completely eliminating the impacts of base closures and contract reductions, have helped lessen their severity.

What is needed for Southern California is a mechanism to anticipate defense spending cuts, assess their regional impact, plan strategies to absorb displaced workers, and convert military facilities. The federal government offers a variety of programs to help local jurisdictions deal with such issues, including grants through the Economic Development Administration (EDA). However, Southern California's political leadership has been slow in taking advantage of such programs. One reason may be the myriad of jurisdictions which make it difficult to coordinate regional strategies. A regional planning mechanism may be the first step in dealing with this dilemma.

Another issue requiring attention is the regulatory role of government. The number of jurisdictions and government agencies with narrow regulatory functions creates excessive burdens on business, particularly smaller firms. It is often necessary for a new business to obtain permits from several city or county agencies, such as fire, building and safety, public works and planning departments as well as special jurisdictions such as the Air Quality Management District (AQMD). Recent steps by the Los Angeles City Council to

create a "one-stop" permit process and to coordinate the role of various agencies are positive steps toward reducing this bureaucratic nightmare. Such services already exist in areas designated state "Enterprise Zones" but need to be expanded to all parts of the city and county.

Third, we support efforts to improve the position of the U.S. in the world economy. The last two decades have seen greater mobility in both labor and capital, and the increased integration of the global economy. The continuation of this process appears inevitable and will have significant impacts on local economic development. To ensure that these impacts are positive, an aggressive state role is needed to foster policies which will help local economies.

Such policies include efforts to eliminate unfair trade barriers that prevent U.S. goods from competing in foreign markets. Regional integration, under certain conditions, may be desirable as well. By reducing trade restrictions and eliminating tariffs between Canada, the United States and Mexico, many economists predict the North American Free Trade Agreement (NAFTA) will lead to long-term economic growth for the entire continent. However, such initiatives require the state to ensure that proper environmental and labor standards are practiced throughout the region and that the industries which benefit from this policy are accountable to local communities.

Finally, we support increased investment in impoverished areas to help them become vibrant communities. Many low-income communities are located in inner-cities where capital flight and job losses have devastated the economic base. This process can only be reversed by concerted efforts to encourage both public and private sector investment. Capital reinvestment in low-income communities can be accomplished through regulatory and market-oriented approaches including initiatives such as Redevelopment, the Community Reinvestment Act (CRA), federal "Enterprise Zones" and tax incentives. We realize that, in the past, these initiatives have not always benefitted the most in need. Thus, we call for the creation of mechanisms to ensure that the most disadvantaged sectors of the community are involved in the process and can reap benefits from such investments.

Conclusion: Beyond Strategic Linkages

One of the most important lessons of the Black Power and Civil Rights struggles of the 1960s was that large-scale social change comes

from broad, organized and sustained movements, not from linkages between poor communities and elected officials or existing institutions. For Asians, this lesson means that we need to emphasize long-term community organizing and political education. It also means reaching out to and building coalitions with other communities. Building broad movements is not easy because tangible benefits are not always realized in the short-run. However, Community Economic Development is a way to turn advocacy into action. Through CED, we can build the community-based institutions and linkages needed to develop and sustain our movements.