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SYMPOSIUM: BUILDING BRIDGES: EXAMINING RACE AND PRIVILEGE IN COMMUNITY ECONOMIC DEVELOPMENT



Introductory Overview

Priya Baskaran, Renee Hatcher, and Lynnise E. Phillips Pantin

The country has been in economic recovery since the Great Recession in 2007. Home prices have since stabilized after the mortgage and foreclosure crisis that followed the Recession. In late 2017, the federal government passed the Tax Cuts and Jobs Act, leading to a surge in corporate earnings. As of the time of this writing, major stock indicators are at all-time highs, and interest rates are low. But corporate indicators and interest rates do not paint the entire picture. Most of the economic recovery is in affluent, predominately white parts of the country, while distressed areas inhabited by people of color have been overlooked. While economic change may have come to certain neighborhoods, what has also changed are the racial demographics, increased housing prices, and access to health foods, along with the exodus of long-term residents. Wages are stagnant despite near zero unemployment, public schools are more segregated than ever, and the racial wealth gap widens.¹ Patrick Sharkey calls this juxtaposition an “uneasy peace.”² At the start of the new year, law professors gathered at the 2019 Association of American Law Schools (“AALS”) Annual Meeting in New Orleans, Louisiana, to discuss this “uneasy peace” and find solutions to address the systematic racial disparities that are barriers to achieving economic justice.

During the 2019 AALS Annual Meeting, we proposed a discussion group: “Building Bridges: Examining Race and Privilege in Community Economic Development.”³ The goal was to identify how community economic development (“CED”) law school courses, both experiential and

1. See Lynnise E. Phillips Pantin, *The Wealth Gap and the Racial Disparities in the Startup Ecosystem*, 62 St. Louis L.J. 419 (2018).

2. PATRICK SHARKEY, *UNEASY PEACE: THE GREAT CRIME DECLINE, THE RENEWAL OF CITY LIFE AND THE NEW WAR ON VIOLENCE* (2018).

3. Formal participants included Michéle Alexandre, Priya Baskaran, Susan D. Bennett, Sheryll D. Cashin, Patience A. Crowder, Scott L. Cummings, Edward W. De Barbieri, Renee Hatcher, Audrey G. McFarlane, Camille K. Pannu, Lynnise E. Phillips Pantin, Joseph Pileri, Anika Singh Lemar, and Dana A. Thompson.

doctrinal, as well as CED practice generally, serve to build bridges across racial and socioeconomic boundaries.

When we proposed the session, we did so in response to the freighted political and economic environment in the United States.⁴ As lawyers, scholars, and educators working with economically disenfranchised communities in various regions,⁵ we felt that addressing the issues of race, poverty, and economic development remained vitally important. No amount of granular economic or market analysis or detailed dissections of national party politics can overshadow the everyday struggles of our clients in Chicago, Harlem, and Appalachia. We also recognize the rare opportunity to discuss this topic in depth with other legal academics, as AALS creates an important forum for the open and free exchange of ideas, stories, and experiences among scholars.

CED is inherently interdisciplinary in nature, and AALS draws experts from a variety of substantive fields ranging from environmental justice to municipal finance. Scholars and professors actively engaged in representing vulnerable communities, whether through clinical teaching or pro-bono service, also had the opportunity to engage with policy experts and empirical researchers. We wanted to use this timely venue to discuss the future of CED and how we—as lawyers, scholars, and educators—could work to best represent communities. Moreover, we knew the discussion must center on opportunities to support movements and build bridges across race and socioeconomic divides.

The discussion group featured presentations by clinicians, non-clinicians, and CED scholars on their current research and thinking. The group then transitioned into a larger discussion tackling the following challenging questions:

- How does community economic development serve to build bridges in local communities, across social-economic and racial boundaries?
- How does race and privilege affect who benefits from community economic development initiatives?
- How does the racial wealth gap disadvantage minority entrepreneurs?

4. See Priya Baskaran, *The Economic Justice Imperative for Lawyers in “Trump Country,”* 7 TENN. J. OF RACE, GENDER & SOC. JUST. 161, 163–64 (2018).

5. Professor Renee Hatcher directs the Community Enterprise and Solidarity Economy Clinic at John Marshall Law School-Chicago and serves community-based businesses and organizations in Chicago, Illinois, with a focus on solidarity economy initiatives; Professor Lynnise Pantin directs the Entrepreneurship and Community Development Clinic at Columbia Law School, which provides free transactional legal services to low- and moderate-income entrepreneurs and community-based organizations in the neighborhoods surrounding the university on legal issues relating to new and emerging businesses; and Professor Priya Baskaran directs the Entrepreneurship and Innovation Law Clinic at West Virginia University College of Law, where she provides transactional legal services to rural populations.

- What are the factors of assessment and measurement for successful CED initiatives?

This discussion reviewed the ways in which CED can both exacerbate and alleviate racial and socio-economic inequality. Although the discussion proved incredibly rich and illuminating, it highlighted pressing limitations in our current approach to CED work.

First, there is a tension in the current, dominant mode of community economic development work, which is often heavily connected to a market-based approach. Market-based CED “seeks to restructure underperforming markets in low-wealth urban locales by providing economic incentives and other means of tangible support to attract and retain private businesses and corporations.”⁶ In critiquing the market-based approach, participants described various ways in which CED has strayed from its grassroots origins to the benefit of large developers and other corporate interests. For example, Empowerment Zones⁷ have driven large-scale development that does not necessarily benefit disenfranchised communities but can serve as agents of displacement or simply create additional disparities between newer residents and long-standing community members. Increasingly, CED scholars and practitioners are working to reclaim the dominant narrative, seeking opportunities to proactively support community-led initiatives.⁸ Discussants keenly noted the need to better integrate our work with community-led power building efforts and social movements, through greater collaboration with local activists and community-based organizations.

However, the group also conceded the challenges of engaging in this work. At the outset, communities are in various stages of mobilization. For example, communities in certain major cities and coastal states have been actively organizing for decades. These communities have won significant victories, upending development plans that would have led to mass displacement and caused other types of devastation to their neighborhoods.⁹ In contrast, some participants work in communities that are

6. Renee Hatcher, *Towards a Solidarity Economy Approach to Community Economic Development*, 63 *How. L.J.* (forthcoming Fall 2019); see also Scott L. Cummings, *Community Economic Development as Progressive Politics: Toward a Grassroots Movement for Economic Justice*, 54 *STAN. L. REV.* 399, 414–16 (2001).

7. See Audrey G. McFarlane, *Race, Space, and Place: The Geography of Economic Development*, 36 *SAN DIEGO L. REV.* 295, 318–19 (1999).

8. See Gowri Krishna, *Worker Cooperative Creation as Progressive Lawyering? Moving Beyond the One-Person, One-Vote Floor*, 34 *BERKELEY J. EMP. & LAB. L.* 65, 101 (2013). See generally Renee Hatcher, *Solidarity Economy Lawyering*, 8 *TENN. J. RACE, GENDER & SOC. JUST.* 23 (2019).

9. In November 2018, Amazon announced that it would but its second headquarters in Long Island City, NY. In February 2019 Amazon withdrew from the deal, citing major public backlash. See Amazon, <https://blog.aboutamazon.com/company-news/update-on-plans-for-new-york-city-headquarters> (last visited May 30, 2019).

pre-mobilization. For example, some rural communities continue to face unique challenges to leveraging collective action due to geographic and resource constraints.¹⁰ How can we as lawyers, advocates, and educators work to represent communities with differing capacities and at various stages of organizing? Furthermore, the recent developments in national and state electoral politics threatens the progressive gains that social movements and community organizations have achieved. For example, since 2017, billions of federal dollars have been proposed to be slashed from the U.S. Department of Housing and Urban Development affordable housing programs, which can mean the difference between homelessness and basic housing security.¹¹ Immigrant and communities of color continue to bear the brunt of economic development policies, resulting in disproportionate displacement, neighborhood disinvestment, and sometimes criminal detainment. Discussants emphasized the need to prioritize and support these communities in CED efforts and shift the power dynamics of local economic development efforts.

In looking ahead, discussants raised a number of questions facing CED lawyers and scholars. How can CED practitioners and scholars assess the effectiveness of various CED approaches? What are the underlying principles of progressive CED initiatives? What role does race continue to play in community control efforts? To what extent has CED scholarship failed to address the impending climate crisis? How do we grapple with varying levels of support from our institutions, recognizing that public universities and private institutions may place different constraints on faculty? How do we create a space for continued dialogue and support between scholars and practitioners dedicated to community economic empowerment? The following selected reflection pieces written by participants from the 2019 AALS session offer further insight into the changing CED landscape, reiterating the importance of continuing this pivotal discussion.

10. Baskaran, *supra* note 4, at 176.

11. Jeff Andrews, *Trump Administration Proposes Dramatic Cuts to Public Housing-Again*, CURBED (Mar. 11, 2019), <https://www.curbed.com/search?q=Trump+Administration+Proposes+Dramatic+Cuts+to+Public+Housing+Again> (last visited May 30, 2019).